

TRANSPORT METROPOLITAN DISTRICT NOS. 1-5

2022 CONSOLIDATED ANNUAL REPORT

Pursuant to the Service Plans for Transport Metropolitan District Nos. 1-15 (each a “District” and collectively the “Districts”), the Districts are required to provide an annual report to the City of Aurora (the “City”) with regard to the following matters. Pursuant to §32-1-104(3), C.R.S. District Nos. 6-15 remained on inactive status during 2022. The information in this report pertains only to District Nos. 1-5 as the only active Districts throughout 2022:

For the year ending December 31, 2022, the Districts make the following report:

§32-1-207(3) Statutory Requirements

1. Boundary changes made.

*There were no changes to the District Nos. 1-4’s boundaries in 2022. District No. 5 included approximately 305 acres within its boundaries in June 2022. The Order for Inclusion is attached hereto as **Exhibit A**.*

2. Intergovernmental Agreements entered into or terminated.

District Nos. 1, 3 and 5 entered into a Joint Funding Agreement for Construction Soil in 2022.

On May 19, 2022, District Nos. 1-5 entered into a District Coordinating Services Agreement.

*Copies of the Intergovernmental Agreements are attached hereto as **Exhibit C**.*

3. Access information to obtain a copy of rules and regulations adopted by the board.

The Districts have not adopted a set of rules and regulations.

4. A summary of litigation involving public improvements owned by the Districts.

To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts’ public improvements as of December 31, 2022.

5. Status of the construction of public improvements by the Districts.

In 2022, District No. 1 continued construction on Grading and Erosion Control, a Wastewater Treatment Plant, a Water Pond Storage, an Elevated Potable Water Storage Tank, and Well Drilling. Several public improvements are anticipated to continue in 2023.

- 6. A list of facilities or improvements constructed by the Districts that were conveyed or dedicated to the county or municipality.**

There are no facilities and improvements constructed by the Districts that have been dedicated to or accepted by the City as of December 31, 2022.

- 7. The final assessed valuation of the Districts as of December 31st of the reporting year.**

The Districts received certifications of valuation from the Adams County Assessor reporting taxable assessed valuations for the year 2022 as:

District No. 1: \$10; District No. 2: \$3,520,910; District No. 3: \$32,910; and District No. 4: \$336,150; District No. 5: \$40.

- 8. A copy of the current year's budget.**

*Copies of the 2023 Budgets are attached hereto as **Exhibit B**.*

- 9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

*The 2022 Audits for District Nos. 1 & 3, and the Audit Exemption Applications for District Nos. 2, 4 & 5 are attached hereto as **Exhibit D**.*

- 10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the Districts.**

The Districts are not aware of any uncured events of default by the Districts that continued beyond ninety days.

- 11. Any inability of the Districts to pay their obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

The Districts are not aware of any inability to pay its obligations as they came due.

Service Plan Requirements

- 1. Boundary changes made or proposed to the Districts' boundaries as of December 31 of the prior year:**

*There were no changes to the District Nos. 1-4's boundaries in 2022. District No. 5 included approximately 305 acres within its boundaries in June 2022. The Order for Inclusion is attached hereto as **Exhibit A**.*

- 2. Intergovernmental Agreements with other governmental entities, either entered into or proposed, as of December 31 of the prior year:**

District Nos. 1, 3 and 5 entered into a Joint Funding Agreement for Construction Soil in 2022.

On May 19, 2022, District Nos. 1-5 entered into a District Coordinating Services Agreement.

*Copies of the Intergovernmental Agreements are attached hereto as **Exhibit C**.*

- 3. Copies of the Districts' rules and regulations, if any, as of December 31 of the prior year:**

The Districts have not adopted a set of rules and regulations.

- 4. A summary of any litigation which involves the Districts' Public Improvements as of December 31 of the prior year:**

To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts' public improvements as of December 31, 2022.

- 5. Status of the Districts' construction of the Public Improvements as of December 31 of the prior year:**

In 2022, District No. 1 continued construction on Grading and Erosion Control, a Wastewater Treatment Plant, a Water Pond Storage, an Elevated Potable Water Storage Tank, Well Drilling. Several public improvements are anticipated to continue in 2023.

- 6. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City as of December 31, 2020.**

There are no facilities and improvements constructed by the Districts that have been dedicated to or accepted by the City as of December 31, 2022.

7. The assessed valuation of the Districts for the current year:

The Districts received certifications of valuation from the Adams County Assessor reporting taxable assessed valuations for the year 2022 as:

District No. 1: \$10; District No. 2: \$3,520,910; District No. 3: \$32,910; and District No. 4: \$336,150; District No. 5: \$40.

8. Current year budget including a description of the Public Improvements to be constructed in such year:

*The Districts' 2023 budgets are attached hereto as **Exhibit B**. As of the date of this report, District No. 1 anticipates undertaking construction of various Public Improvements.*

9. Audit of the Districts financial statements, for the year ending December 31, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable:

*The 2022 Audits for District Nos. 1 & 3, and the Audit Exemption Applications for District Nos. 2, 4 & 5 are attached hereto as **Exhibit D**.*

10. Notice of any uncured events of default by the Districts, which continued beyond a ninety (90) day period, under any Debt instrument:

*Copies of the 2023 Budgets are attached hereto as **Exhibit B**.*

11. Any inability of the Districts to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period:

The Districts are not aware of any inability to pay its obligations as they came due.

EXHIBIT A
Order for Inclusion

CERTIFIED RECORDS
 DO NOT REMOVE STAPLE
 *REMOVAL VOIDS
 CERTIFICATION*

DISTRICT COURT, ADAMS COUNTY, COLORADO		DATE FILED: June 22, 2022 2:03 PM
Court Address: 1100 Judicial Center Drive Brighton, CO 80601 Telephone: 303-659-1161		▲ COURT USE ONLY ▲ Case Number: 06CV1126 Division: C Courtroom: ____
Petitioner: TRANSPORT METROPOLITAN DISTRICT NO. 5		
By the Court:		
ORDER FOR INCLUSION (NE Quarter/SE Quarter, Section 22)		

THIS MATTER comes before the Court pursuant to § 32-1-401(1), C.R.S., on Motion for an Order for Inclusion of property into the boundaries of the Transport Metropolitan District No. 5, City of Aurora, Adams County, Colorado (the "District"). This Court, being fully advised in the premises, and there being no objection filed by any person, hereby ORDERS:

1. That the real property set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the "Property"), shall be and is hereby included within the boundaries of the District.

2. That in accordance with § 32-1-402(1)(b), C.R.S., after the date of this Order, the Property shall be subject to all of the taxes and charges imposed by the District and shall be liable for its proportionate share of existing bonded indebtedness of the District, except as owners may be exempt by law.


3. In accordance with § 32-1-402(1)(c), C.R.S., the Property shall be liable for its proportionate share of annual operation and maintenance charges and the cost of facilities of the District and taxes, rates, fees, tolls or charges shall be certified and levied or assessed therefor.

4. In accordance with § 32-1-402(1)(f), C.R.S., the District's facility and service standards which are applied within the included area shall be compatible with the facility and service standards of adjacent municipalities.

5. The District shall file this order in accordance with the provisions of § 32-1-105,
C.R.S.

DONE AND EFFECTIVE THIS 22nd DAY OF June 2022.

BY THE COURT:



District Court Judge

EXHIBIT A
(NE Quarter/SE Quarter, Section 22)

LEGAL DESCRIPTION

PORT COLORADO METRO DISTRICT NO. 5

A PARCEL OF LAND, BEING A PART OF THE EAST HALF OF SECTION 22, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 22, BEING MONUMENTED BY A 2 INCH DIAMETER PIPE WITH A 3.25 INCH ALUMINUM CAP, PLS 17488, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION, MONUMENTED BY A 2.5 INCH ALUMINUM PIPE WITH 3.25 INCH ALUMINUM CAP IN A RANGE BOX, PLS 10372, IS ASSUMED TO BEAR NORTH 00°43'56" WEST, A DISTANCE OF 2647.88 FEET, WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 04°48'25" WEST, A DISTANCE OF 420.47 FEET TO A POINT 30.00 FEET WEST, MEASURED PERPENDICULAR TO, THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22, SAID POINT BEING ON THE APPARENT WESTERLY RIGHT OF WAY OF MANILA ROAD, AND THE POINT OF BEGINNING;

THENCE THE FOLLOWING ELEVEN (11) COURSES;

1. SOUTH 89°18'04" WEST, A DISTANCE OF 867.00 FEET;
2. SOUTH 00°55'38" EAST, A DISTANCE OF 398.26 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22;
3. NORTH 89°15'03" WEST, ON SAID SOUTH LINE, A DISTANCE OF 1742.55 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 22, MONUMENTED BY A NO. 6 REBAR WITH 2 INCH ALUMINUM CAP, PLS 25981;
4. NORTH 00°42'54" WEST ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22, A DISTANCE OF 2645.00 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION, BEING MONUMENTED BY A NO. 6 REBAR WITH 3.25 INCH ALUMINUM CAP, PLS 34591;
5. NORTH 00°42'54" WEST ON THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 22, A DISTANCE OF 2618.14 FEET, TO A POINT 30.00 FEET SOUTH OF THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION;
6. SOUTH 89°18'52" EAST, 30.00 FEET SOUTH OF, AND PARALLEL TO THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 22, A DISTANCE OF 2612.68 FEET TO A POINT 30.00 FEET WEST OF THE EAST LINE OF SAID NORTHEAST QUARTER;
7. SOUTH 00°38'18" EAST, 30.00 FEET WEST OF, AND PARALLEL TO THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 22, A DISTANCE OF 2618.18 FEET TO A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER;
8. NORTH 89°18'45" WEST ALONG SAID SOUTH LINE, A DISTANCE OF 387.90 FEET;
9. SOUTH 00°50'45" EAST, A DISTANCE OF 209.01 FEET;
10. SOUTH 89°19'39" EAST, A DISTANCE OF 387.48 FEET TO A POINT 30 FEET WEST OF THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22;
11. SOUTH 00°43'56" EAST, 30.00 FEET WEST OF, AND PARALLEL TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22, A DISTANCE OF 2020.40 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING A CALCULATED AREA OF 13,297,683 SQUARE FEET OR 305.272 ACRES, MORE OR LESS, AND BEING SUBJECT TO ANY EXISTING EASEMENTS AND/OR RIGHTS OF WAY OF WHATSOEVER NATURE.

N:\Projects\Transport Colorado\CAD\Survey\Legal\Metro Districts\METRO DISTRICT 5.docx1

THE LINEAL UNIT USED IN THE PREPARATION OF THIS LEGAL DESCRIPTION IS THE U.S. SURVEY FOOT
AS DEFINED BY THE UNITED STATES DEPARTMENT OF COMMERCE, NATIONAL INSTITUTE OF
STANDARDS AND TECHNOLOGY.

I, PATRICK M. STEENBURG, A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY
THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY
DIRECT SUPERVISION AND CHECKING.

Patrick M. Steenburg
PATRICK M. STEENBURG, PLS 38004
FOR AND ON BEHALF OF
WESTWOOD PROFESSIONAL SERVICES, INC.
10333 E. DRY CREEK ROAD, SUITE 240
ENGLEWOOD, CO 80112



N:\Project\Transport Colorado\CAD\Survey\Legal\Metro District\METRO DISTRICT 3.docx2

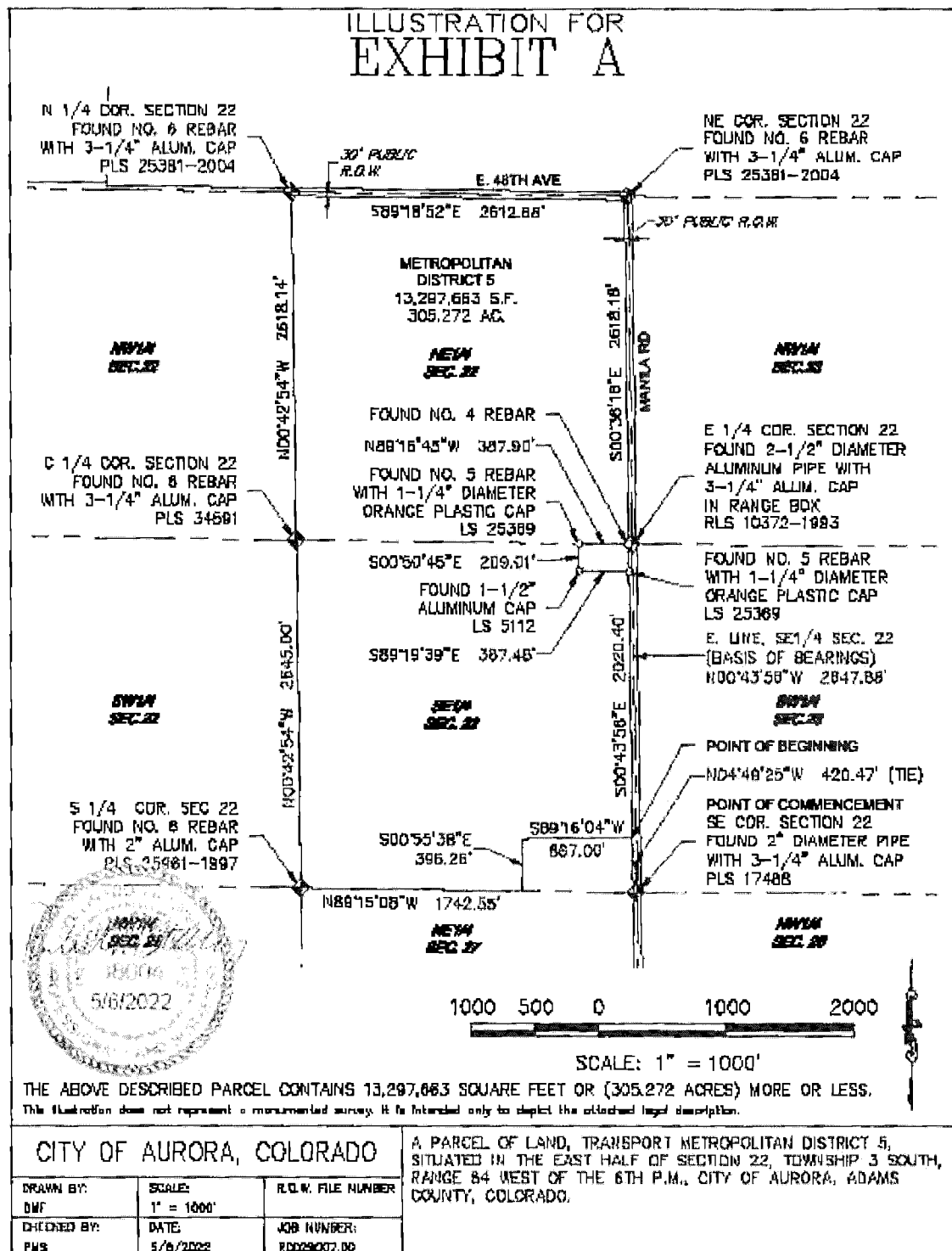


EXHIBIT B
2023 Budgets

TRANSPORT METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

TRANSPORT METROPOLITAN DISTRICT NO. 1
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ (81,862)	\$ (768,713)	\$ 233,003
REVENUES			
Property taxes	1	1	1
Specific ownership taxes	1	-	-
Developer advance	2,322,820	19,069,850	500,000
Developer contributions	557,109	299,100	24,994
Transfer from District No. 2	170,732	220,337	260,019
Transfer from District No. 3	19,263,144	51,200,343	2,156,863
Transfer from District No. 4	36,679	17,869	17,854
Other Revenue	-	-	766
Total revenues	22,350,486	70,807,500	2,960,497
TRANSFERS IN	10,838	-	-
Total funds available	22,279,462	70,038,787	3,193,500
EXPENDITURES			
General Fund	142,270	115,786	276,000
Capital Projects Fund	22,895,067	69,689,998	2,681,500
Total expenditures	23,037,337	69,805,784	2,957,500
TRANSFERS OUT	10,838	-	-
Total expenditures and transfers out requiring appropriation	23,048,175	69,805,784	2,957,500
ENDING FUND BALANCES	\$ (768,713)	\$ 233,003	\$ 236,000
EMERGENCY RESERVE	\$ 6,500	\$ 7,200	\$ 8,400
TOTAL RESERVE	\$ 6,500	\$ 7,200	\$ 8,400

No assurance is provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
----------------	-------------------	----------------

ASSESSED VALUATION

Commercial	\$ 10	\$ 10	\$ 10
Certified Assessed Value	\$ 10	\$ 10	\$ 10

MILL LEVY

General	50.000	50.000	50.000
Total mill levy	50.000	50.000	50.000

PROPERTY TAXES

General	\$ 1	\$ 1	\$ 1
Levied property taxes	1	1	1
Budgeted property taxes	\$ 1	\$ 1	\$ 1

BUDGETED PROPERTY TAXES

General	\$ 1	\$ 1	\$ 1
	\$ 1	\$ 1	\$ 1

TRANSPORT METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ (31,692)	\$ 110,239	\$ 233,003
REVENUES			
Property taxes	1	1	1
Specific ownership taxes	1	-	-
Developer advance	81,185	-	-
Transfer from District No. 2	170,732	220,337	260,019
Transfer from District No. 3	6,441	343	357
Transfer from District No. 4	36,679	17,869	17,854
Other revenue	-	-	766
Total revenues	295,039	238,550	278,997
Total funds available	263,347	348,789	512,000
EXPENDITURES			
General and administrative			
Accounting	52,092	44,000	73,000
Audit	-	11,500	12,500
Dues and membership	1,055	1,537	1,700
Insurance	9,549	9,549	10,200
Legal	79,212	46,000	110,000
Miscellaneous	-	-	5,000
Banking fees	362	500	600
Election	-	2,700	3,000
Contingency	-	-	60,000
Total expenditures	142,270	115,786	276,000
TRANSFERS OUT			
Transfers to other fund	10,838	-	-
Total expenditures and transfers out requiring appropriation	153,108	115,786	276,000
ENDING FUND BALANCES	\$ 110,239	\$ 233,003	\$ 236,000

No assurance is provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ (50,170)	\$ (878,952)	\$ -
REVENUES			
Developer advance	2,241,635	19,069,850	500,000
Developer contribution	557,109	299,100	24,994
Transfer from District No. 3	19,256,703	51,200,000	2,156,506
Total revenues	22,055,447	70,568,950	2,681,500
TRANSFERS IN			
Transfers from other funds	10,838	-	-
Total transfers in	10,838	-	-
Total funds available	22,016,115	69,689,998	\$ 2,681,500
EXPENDITURES			
Capital Projects			
Accounting	25,377	35,000	29,000
Legal	34,565	75,000	63,000
Repay developer advance	2,241,635	19,069,850	500,000
Engineering - cost verification	63,575	50,000	50,000
Engineering	-	-	-
Capital outlay - District costs	13,708,282	31,390,298	1,539,500
Capital outlay - Developer certified cost	6,821,633	19,069,850	500,000
Contingency	-	-	-
Total expenditures	22,895,067	69,689,998	2,681,500
Total expenditures and transfers out requiring appropriation	22,895,067	69,689,998	2,681,500
ENDING FUND BALANCES	\$ (878,952)	\$ -	\$ -

No assurance is provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

TransPort Metropolitan District No. 1 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, which is located in the City of Aurora was organized on November 7, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). It is anticipated that Transport Metro Districts Nos. 1-15 will collectively undertake the financing and construction of certain public improvements within and without the boundaries of the Districts. The service plans authorize the Districts to enter into certain intergovernmental cost sharing and recovery agreements which govern the relationships between and among the Districts with respect to financing, construction, and operation of the public improvements. These services will be determined through the Coordinating Services Agreement.

The District has no employees, and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

The calculation of the taxes levied on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District. Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**TRANSPORT METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.00% of the property taxes collected by both the General Fund and the Debt Service Fund.

Developer Advance

The District is in the development stage. As such, all of the District's general and administrative expenditures will be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds (if applicable) and other legally available revenues.

Transfers from Other Districts

Pursuant to the District Coordinating Services Agreement dated November 20, 2019, the District will provide certain operation, maintenance, and administrative services benefiting Transport Metro Districts No.(s) 2,3 and 4 (collectively "Districts"). The Districts will pay the costs of such services through the imposition of ad valorem taxes and transferring such taxes, net of collection fees, to the District.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

Administrative and Operating

General and administrative expenditures include the service necessary to maintain the District's administrative viability such as legal, accounting, insurance, and other administrative expenses.

Capital Outlay

The District has no debt, capital, or operating leases.

Debt and Leases

The District has no debt, capital, or operating leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2023, as defined under TABOR.

This information is an integral part of the accompanying budget.

TRANSPORT METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

TRANSPORT METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	172,054	208,851	246,464
Specific ownership taxes	3,288	14,619	17,252
Interest income	1,334	-	-
Other revenue	-	-	1,284
Total revenues	<u>176,676</u>	<u>223,470</u>	<u>265,000</u>
EXPENDITURES			
General and administrative			
Banking fees	43	-	-
Contingency	-	-	1,284
County Treasurer's fee	2,601	3,133	3,697
Transfer to District No. 1	170,732	220,337	260,019
Transfer to District No. 3	3,200	-	-
Transfer to District No. 4	100	-	-
Total expenditures	<u>176,676</u>	<u>223,470</u>	<u>265,000</u>
Total expenditures and transfers out requiring appropriation	<u>176,676</u>	<u>223,470</u>	<u>265,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TRANSPORT METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
----------------	-------------------	----------------

ASSESSED VALUATION

Commercial	\$ -	\$ 44,950	\$ 44,950
Oil and Gas	1,805,110	1,708,790	2,305,980
State assessed	-	7,240	3,530
Personal property	-	1,128,000	1,080,360
Agricultural	-	94,600	86,090
Certified Assessed Value	<u>\$ 1,805,110</u>	<u>\$ 2,983,580</u>	<u>\$ 3,520,910</u>

MILL LEVY

General	70.000	70.000	70.000
Total mill levy	<u>70.000</u>	<u>70.000</u>	<u>70.000</u>

PROPERTY TAXES

General	\$ 126,358	\$ 208,851	\$ 246,464
Levied property taxes	126,358	208,851	246,464
Refunds and abatements	45,696	-	-
Budgeted property taxes	<u>\$ 172,054</u>	<u>\$ 208,851</u>	<u>\$ 246,464</u>

BUDGETED PROPERTY TAXES

General	<u>\$ 172,054</u>	<u>\$ 208,851</u>	<u>\$ 246,464</u>
	<u>\$ 172,054</u>	<u>\$ 208,851</u>	<u>\$ 246,464</u>

TRANSPORT METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

TransPort Metropolitan District No. 2, (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, which is located in the City of Aurora was organized on November 7, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

It is anticipated that Transport Metro Districts Nos. 1-4 will collectively undertake the financing and construction of certain public improvements within and without the boundaries of the Districts. The service plans authorize the Districts to enter into certain intergovernmental cost sharing and recovery agreements which govern the relationships between and among the Districts with respect to financing, construction, and operation of the public improvements. These services will be determined through the Coordinating Services Agreement.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

The calculation of the taxes levied on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**TRANSPORT METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.00% of the property taxes collected by both the General Fund and the Debt Service Fund.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections for the budget year 2023.

Transfer to Transport Metro District No. 1

Pursuant to the District Coordinating Services Agreement dated November 20, 2019, Transport Metro District No.1 will provide certain operation, maintenance, and administrative services benefitting the District and Transport Metro District Nos 3-4 (collectively "Districts"). The Districts will pay all of costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to Transport Metro District No. 1.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Transport Metro District No. 1, which pays for all of the Districts' operations, maintenance and administrative costs, an Emergency Reserve is not reflected in the District's budget.

This information is an integral part of the accompanying budget.

TRANSPORT METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

TRANSPORT METROPOLITAN DISTRICT NO. 3
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ 70,303,029	\$ 15,158,593
REVENUES			
Property taxes	2,989	1,575	1,678
Specific ownership taxes	219	108	115
Interest income	6,889	154,515	170,209
Other Revenue	-	-	2,638
Transfer from District No.2	3,200	-	-
Bond proceeds	95,166,208	-	-
Total revenues	95,179,505	156,198	174,640
TRANSFERS IN	20,352,863	-	-
Total funds available	115,532,368	70,459,227	15,333,233
EXPENDITURES			
General Fund	6,514	346	3,000
Debt Service Fund	3,320,922	4,100,288	4,110,000
Capital Projects Fund	21,549,040	51,200,000	2,156,506
Total expenditures	24,876,476	55,300,634	6,269,506
TRANSFERS OUT	20,352,863	-	-
Total expenditures and transfers out requiring appropriation	45,229,339	55,300,634	6,269,506
ENDING FUND BALANCES	\$ 70,303,029	\$ 15,158,593	\$ 9,063,727

TRANSPORT METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION

Agricultural	59,780	30,880	27,950
Personal property	-	-	4,960
Certified Assessed Value	<u>\$ 59,780</u>	<u>\$ 30,880</u>	<u>\$ 32,910</u>

MILL LEVY

General	50.000	10.000	10.000
Debt Service	0.000	40.000	40.000
ARI (Aurora Regional Improvement)	0.000	1.000	1.000
Total mill levy	<u>50.000</u>	<u>51.000</u>	<u>51.000</u>

PROPERTY TAXES

General	\$ 2,989	\$ 309	\$ 329
Debt Service	-	1,235	1,316
ARI	-	31	33
Budgeted property taxes	<u>\$ 2,989</u>	<u>\$ 1,575</u>	<u>\$ 1,678</u>

BUDGETED PROPERTY TAXES

General	\$ 2,989	\$ 309	\$ 329
Debt Service	-	1,235	1,316
ARI	-	31	33
	<u>\$ 2,989</u>	<u>\$ 1,575</u>	<u>\$ 1,678</u>

TRANSPORT METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	2,989	309	329
Specific ownership taxes	219	22	23
Interest income	106	15	10
Other revenue	-	-	2,638
Transfer from District No. 2	3,200	-	-
Total revenues	<u>6,514</u>	<u>346</u>	<u>3,000</u>
Total funds available	<u>6,514</u>	<u>346</u>	<u>3,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	3	5
Banking fees	73	-	-
Contingency	-	-	2,638
Transfer to District No. 1	6,441	343	357
Total expenditures	<u>6,514</u>	<u>346</u>	<u>3,000</u>
Total expenditures and transfers out requiring appropriation	<u>6,514</u>	<u>346</u>	<u>3,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TRANSPORT METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ 17,033,523	\$ 13,027,087
REVENUES			
Property taxes	-	1,235	1,316
Specific ownership taxes	-	86	92
ARI	-	31	33
Interest income	1,582	92,500	145,199
Total revenues	1,582	93,852	146,640
TRANSFERS IN			
Transfers from other funds	20,352,863	-	-
Total funds available	20,354,445	17,127,375	13,173,727
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	20
Debt Service			
Bond interest - Series 2021 A-1	3,320,922	4,094,288	4,094,288
Paying agent fees	-	6,000	6,000
Contingency	-	-	9,692
Total expenditures	3,320,922	4,100,288	4,110,000
Total expenditures and transfers out requiring appropriation	3,320,922	4,100,288	4,110,000
ENDING FUND BALANCES	\$ 17,033,523	\$ 13,027,087	\$ 9,063,727
DEBT SERVICE SURPLUS	8,070,000	8,070,000	8,070,000
AVAILABLE FOR FUTURE DEBT SERVICE	8,963,523	4,957,087	993,727
TOTAL RESERVE	\$ 17,033,523	\$ 13,027,087	\$ 9,063,727

TRANSPORT METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ 53,269,506	\$ 2,131,506
REVENUES			
Interest income	5,201	62,000	25,000
Bond Issuance - Series 2021 A-1	82,745,000	-	-
Bond Issuance - Series 2021 A-2	11,476,725	-	-
Bond premium	944,483	-	-
Total revenues	95,171,409	62,000	25,000
Total funds available	95,171,409	53,331,506	2,156,506
EXPENDITURES			
Capital Projects			
Bond issue costs	2,292,337	-	-
Transfer to District No. 1	19,256,703	51,200,000	2,156,506
Total expenditures	21,549,040	51,200,000	2,156,506
TRANSFERS OUT			
Transfers to other fund	20,352,863	-	-
Total transfers out	20,352,863	-	-
Total expenditures and transfers out requiring appropriation	41,901,903	51,200,000	2,156,506
ENDING FUND BALANCES	\$ 53,269,506	\$ 2,131,506	\$ -

**TRANSPORT METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, which is located in the City of Aurora was organized on November 7, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

It is anticipated that Transport Metro Districts Nos. 1-15 will collectively undertake the financing and construction of certain public improvements within and without the boundaries of the Districts. The service plans authorize the Districts to enter into certain intergovernmental cost sharing and recovery agreements which govern the relationships between and among the Districts with respect to financing, construction and operation of the public improvements. These services will be determined through the Coordinating Services Agreement.

The District has no employees, and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.00% of the property taxes collected by the General Fund.

Net Investment Income

Net investment income earned on the District's available funds has been estimated based on an average interest rate of .156%

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

Transfer to Transport Metro District No. 1

Pursuant to the District Coordinating Services Agreement dated November 20, 2019, Transport Metro District No.1 will provide certain operation, maintenance, and administrative services benefiting the District and Transport Metro Districts No(s) 2 and 4 (collectively "Districts"). The Districts will pay all of costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to Transport Metro District No. 1.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects Fund.

Debt and Leases

In 2021, the District issued \$82,745,000 in Series 2021 A-1 General Obligation Limited Tax Bonds with an interest rate of 4.125% and 5.000% and \$11,476,725 in Series 2021 A-2 General Obligation Limited Tax Convertible Capital Appreciation Bonds that accrete at a rate of 5.500%, and which will convert to current interest Bonds on December 1, 2025, when the issue will cease to be capital appreciation bonds and automatically convert to current interest bonds.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Transport Metro District No. 1, which pays for all of the Districts' operations, maintenance and administrative costs, an Emergency Reserve is not reflected in the District's budget.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves (Continued)

Debt Service Reserves

The District is required to maintain debt service reserves in accordance with the 2021 Bonds issuance. These reserves have been established in the Debt Service Fund.

This information is an integral part of the accompanying budget.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
DEBT SERVICE REQUIREMENTS TO MATURITY
2023 BUDGET**

	\$82,745,000 General Obligation Limited Tax Bonds Series 2021A-1		\$14,900,000 General Obligation Convertible Capital Appreciation Bonds Series 2021A-2		
<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Total</u>
2023	\$ -	\$ 4,094,288	\$ -	\$ -	\$ 4,094,288
2024	-	4,094,288	-	-	4,094,288
2025	-	4,094,288	-	-	4,094,288
2026	-	4,094,288	-	819,500	4,913,788
2027	-	4,094,287	-	819,500	4,913,787
2028	440,000	4,094,287	40,000	819,500	5,393,787
2029	1,100,000	4,076,137	165,000	817,300	6,158,437
2030	1,650,000	4,030,762	270,000	808,225	6,758,987
2031	1,720,000	3,962,700	285,000	793,375	6,761,075
2032	1,905,000	3,891,750	320,000	777,700	6,894,450
2033	1,995,000	3,796,500	340,000	760,100	6,891,600
2034	2,215,000	3,696,750	380,000	741,400	7,033,150
2035	2,325,000	3,586,000	405,000	720,500	7,036,500
2036	2,560,000	3,469,750	445,000	698,225	7,172,975
2037	2,685,000	3,341,750	470,000	673,750	7,170,500
2038	2,940,000	3,207,500	520,000	647,900	7,315,400
2039	3,090,000	3,060,500	545,000	619,300	7,314,800
2040	3,365,000	2,906,000	600,000	589,325	7,460,325
2041	3,535,000	2,737,750	630,000	556,325	7,459,075
2042	3,835,000	2,561,000	695,000	521,675	7,612,675
2043	4,030,000	2,369,250	730,000	483,450	7,612,700
2044	4,360,000	2,167,750	795,000	443,300	7,766,050
2045	4,575,000	1,949,750	835,000	399,575	7,759,325
2046	4,935,000	1,721,000	910,000	353,650	7,919,650
2047	5,180,000	1,474,250	960,000	303,600	7,917,850
2048	5,575,000	1,215,250	1,035,000	250,800	8,076,050
2049	5,855,000	936,500	1,095,000	193,875	8,080,375
2050	6,280,000	643,750	1,185,000	133,650	8,242,400
2051	6,595,000	329,750	1,245,000	68,475	8,238,225
Total	<u>\$ 82,745,000</u>	<u>\$ 85,697,825</u>	<u>\$ 14,900,000</u>	<u>\$ 14,813,975</u>	<u>\$ 198,156,800</u>

No assurance provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

TRANSPORT METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	35,639	16,700	16,808
Specific ownership taxes	235	1,169	1,177
Interest income	768	167	120
Transfer from District No. 2	100	-	-
Other revenue	-	-	995
Total revenues	<u>36,742</u>	<u>18,036</u>	<u>19,100</u>
Total funds available	<u>36,742</u>	<u>18,036</u>	<u>19,100</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	167	251
Banking fees	63	-	-
Contingency	-	-	995
Transfer to District No. 1	<u>36,679</u>	<u>17,869</u>	<u>17,854</u>
Total expenditures	<u>36,742</u>	<u>18,036</u>	<u>19,100</u>
Total expenditures and transfers out requiring appropriation	<u>36,742</u>	<u>18,036</u>	<u>19,100</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
----------------	-------------------	----------------

ASSESSED VALUATION

Agricultural	\$ 56,070	\$ 40,380	\$ 36,750
Commercial	-	268,890	107,300
Residential	-	13,470	13,100
State assessed	-	11,260	179,000
Certified Assessed Value	<u>\$ 56,070</u>	<u>\$ 334,000</u>	<u>\$ 336,150</u>

MILL LEVY

General	50.000	50.000	50.000
Total mill levy	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>

PROPERTY TAXES

General	\$ 2,804	\$ 16,700	\$ 16,808
Adjustments to actual/rounding	32,835	-	-
Budgeted property taxes	<u>\$ 35,639</u>	<u>\$ 16,700</u>	<u>\$ 16,808</u>

BUDGETED PROPERTY TAXES

General	<u>\$ 35,639</u>	<u>\$ 16,700</u>	<u>\$ 16,808</u>
	<u>\$ 35,639</u>	<u>\$ 16,700</u>	<u>\$ 16,808</u>

TRANSPORT METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

TransPort Metropolitan District No. 4 (the District) a quasi-municipal corporation and a political subdivision of the State of Colorado, which is located in the City of Aurora was organized on November 7, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

It is anticipated that Transport Metro Districts Nos. 1-15 will collectively undertake the financing and construction of certain public improvements within and without the boundaries of the Districts. The service plans authorize the Districts to enter into certain intergovernmental cost sharing and recovery agreements which govern the relationships between and among the Districts with respect to financing, construction, and operation of the public improvements. These services will be determined through the Coordinating Services Agreement.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those the District believes are significant to the budget. There will usually be differences between the budget and actual results

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**TRANSPORT METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.00% of the property taxes collected by the General Fund.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.50%.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

Transfer to Transport Metro District No. 1

Pursuant to the District Coordinating Services Agreement dated November 20, 2019, Transport Metro District No.1 will provide certain operation, maintenance, and administrative services benefiting the District and Transport Metro District Nos 2-3 (collectively "Districts"). The Districts will pay all of costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to Transport Metro District No. 1.

Debt and Leases

The District has no debt, capital, or operating leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Transport Metro District No. 1, which pays for all of the Districts' operations, maintenance and administrative costs, an Emergency Reserve is not reflected in the District's budget.

This information is an integral part of the accompanying budget.

TRANSPORT METROPOLITAN DISTRICT NO. 5
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**TRANSPORT METROPOLITAN DISTRICT NO. 5
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	-	10,000
Total revenues	-	-	10,000
Total funds available	-	-	10,000
EXPENDITURES			
General and administrative			
Contingency	-	-	10,000
Total expenditures	-	-	10,000
Total expenditures and transfers out requiring appropriation	-	-	10,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance is provided. See summary of significant assumptions.

TRANSPORT METROPOLITAN DISTRICT NO. 5
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/4/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Agricultural	\$ -	\$ -	\$ 40
Certified Assessed Value	\$ -	\$ -	\$ 40
MILL LEVY			
General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Budgeted property taxes	\$ -	\$ -	\$ -
BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -

**TRANSPORT METRO DISTRICT NO. 5
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

TransPort Metropolitan District No. 5 (the District) a quasi-municipal corporation and a political subdivision of the State of Colorado, which is located in the City of Aurora was organized on November 7, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

It is anticipated that Transport Metro Districts Nos. 1-15 will collectively undertake the financing and construction of certain public improvements within and without the boundaries of the Districts. The service plans authorize the Districts to enter into certain intergovernmental cost sharing and recovery agreements which govern the relationships between and among the Districts with respect to financing, construction and operation of the public improvements. These services will be determined through the Coordinating Services Agreement.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those the District believes are significant to the budget. There will usually be differences between the budget and actual results

Revenues

Developer Advance

The District is in the development stage. As such, all of the District's general and administrative expenditures will be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financial able to reimburse the Developer from bond proceeds (if applicable) and other legally available revenues.

Expenditures

Transfer to Transport Metro District No. 1

Pursuant to the District Coordinating Services Agreement dated November 20, 2019, Transport Metro District No.1 will provide certain operation, maintenance, and administrative services benefiting the District and Transport Metro District Nos 2-3 (collectively "Districts"). The Districts will pay all of costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to Transport Metro District No. 1.

Debt and Leases

The District has no debt, capital, or operating leases.

**TRANSPORT METRO DISTRICT NO. 5
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Transport Metro District No. 1, which pays for all of the Districts' operations, maintenance and administrative costs, an Emergency Reserve is not reflected in the District's budget.

This information is an integral part of the accompanying budget.

EXHIBIT C
Intergovernmental Agreements

DISTRICT COORDINATING SERVICES AGREEMENT

This **DISTRICT COORDINATING SERVICES AGREEMENT** (this “**Agreement**”) is made and entered as of May 19, 2022 (the “**Effective Date**”), by and among **TRANSPORT METROPOLITAN DISTRICT NO. 1** (the “**Coordinating District**”) and **TRANSPORT METROPOLITAN DISTRICT NOS. 2-5** (each a “**Financing District**,” and collectively the “**Financing Districts**”), individually referred to herein as a “**District**” or “**Party**” or, the Coordinating District and the Financing Districts collectively referred to herein as the “**Districts**” or “**Parties**,” as the context indicates. The Districts are each quasi-municipal corporations and political subdivisions of the State of Colorado.

RECITALS

WHEREAS, the Districts have been duly and validly organized as quasi-municipal corporations and political subdivisions of the State of Colorado, in accordance with the provisions of §§ 32-1-101, *et seq.*, Colorado Revised Statutes (the “**Special District Act**”), with the power to provide for the financing, construction, installation, operation and maintenance of public infrastructure and improvements, as described in the Special District Act, within and without their respective boundaries, as authorized and in accordance with the Service Plans for the Districts, as the same may be amended from time to time (collectively, the “**Service Plan**”); and

WHEREAS, pursuant to the Colorado Constitution Article XIV, Section 18(2)(a), and § 29-1-203, C.R.S., the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract may provide, *inter alia*, for the sharing of costs, the imposition of taxes, and the incurring of debt; and

WHEREAS, § 29-1-201, C.R.S., permits and encourages governments to make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with other governments; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the Districts are empowered to enter into contracts and agreements affecting the affairs of the Districts; and

WHEREAS, the Districts were organized for the purpose of providing for the financing, construction, installation, operation and maintenance of public infrastructure and improvements serving an approximately 6,050 acre commercial/industrial development in the City of Aurora (the “**City**”), Adams County (the “**County**”), Colorado, referred to as “Transport” (the “**Transport Development**”); and

WHEREAS, at elections of the qualified electors of each of the Districts, duly called and held on November 7, 2006 (collectively, the “**Election**”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at the Election voted in favor of, *inter alia*, the imposition of taxes for the purpose of providing certain public improvements and facilities (such public improvements and facilities, to the extent authorized by the Service Plan, are referred to herein as the “**Public Improvements**”), and entering into intergovernmental

agreements or other contracts, without limit as to term, with other governmental entities and political subdivisions of the state; and

WHEREAS, it is anticipated that certain of the Public Improvements will be dedicated or otherwise conveyed to the City, the County, or other public entity, or to an owners' association within the boundaries of the Districts, and that the Coordinating District: (i) will own, operate and maintain all Public Improvements within the boundaries of the Districts that are not dedicated to the City, County, any other public entity, or an owners' association; and (ii) may provide trash service, architectural review, and covenant enforcement services to all or a portion of the property within the boundaries of the Districts; and

WHEREAS, the Districts have evaluated their respective roles, responsibilities and obligations with respect to the provision of administrative services, and ownership, operation and maintenance of certain of the Public Improvements, and desire to enter into this Agreement for the purpose of establishing the respective obligations of the Districts with respect to the coordination, oversight, and funding of certain administrative costs of the Districts and costs related to the continued operation and maintenance of certain of the Public Improvements within such Districts which serve, and are for the benefit of, the Districts and the residents and taxpayers thereof; and

WHEREAS, based on the integrated nature of the Public Improvements and that the Districts are part of an integrated project and coordination is necessary to maintain the integrity of the project, the Districts have independently determined that implementation of this Agreement is essential to the orderly administration of the affairs of the Districts and the coordinated operation and maintenance of Public Improvements benefiting the Districts, their residents and taxpayers; and

WHEREAS, the Districts have determined that coordination is also necessary to allow the Districts to operate in the most cost effective manner and to take advantage of economies of scale by eliminating the duplication of costs that would result without such coordination; and

WHEREAS, the Districts acknowledge that this Agreement does not impose any obligations on the Districts with respect to capital costs for the Public Improvements; and

WHEREAS, Transport Metropolitan District No. 1, Transport Metropolitan District No. 2, Transport Metropolitan District No. 3, and Transport Metropolitan District No. 4 previously entered into that certain Coordinating Services Agreement dated November 20, 2019 (the "Original Agreement"); and

WHEREAS, the parties desire to amend and restate the Original Agreement for the sole purpose of adding Transport Metropolitan District No. 5 as a Financing District; and

WHEREAS, all terms and provision of the Original Agreement unchanged; and

WHEREAS, it is in the best interest of the Districts and for the public health, safety, convenience, and welfare of the residents of the Districts and of the general public that the

Districts enter into this Agreement for the purpose of coordination of the Administrative Services and O&M Services, both as defined herein.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Administrative Services. The Coordinating District agrees to perform the administrative services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Administrative Services**”), for and on behalf of the Financing Districts, in compliance with all applicable federal, state, county and local or municipal body or agency statutes, ordinances and regulations, provided that each Financing District observes and performs the covenants and agreements set forth in this Agreement. The Coordinating District may suspend or curtail Administrative Services in its discretion as necessary or appropriate to address funding shortfalls that have occurred or are anticipated. The Coordinating District shall have the authority to enter into service contracts with third-parties to provide any Administrative Services required to be provided by the Coordinating District. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in Exhibit A, the terms in the body of this Agreement shall govern.

2. Ownership, Operation and Maintenance of Public Improvements. The Coordinating District will own, operate and maintain all Public Improvements within the boundaries of the Districts that are not otherwise dedicated or conveyed to the City, the County or other public entity or owners’ association, in accordance with the Service Plan and any approved development plans for the Project. The Coordinating District agrees to provide those operation and maintenance services described in **Exhibit B**, attached hereto and incorporated herein by this reference (the “**O&M Services**”) for the benefit of the Districts, provided that each Financing District observes and performs the covenants and agreements set forth in this Agreement. The Coordinating District may suspend or curtail O&M Services in its discretion as necessary or appropriate to address funding shortfalls that have occurred or are anticipated. The Coordinating District shall have the authority to enter into service contracts with third-parties to provide any O&M Services required to be provided by the Coordinating District. The Coordinating District may adopt rules, regulations, policies and procedures governing the Coordinating District’s acceptance and, as applicable, reimbursement for any Public Improvements.

3. Payment for Administrative and O&M Services. The Financing Districts shall be responsible for any and all costs, fees, charges and expenses incurred by the Coordinating District (collectively, the “**Costs**”) in providing the Administrative Services and O&M Services (collectively, the “**Services**”). Costs may include but are not limited to, all fees of consultants (including managers, accountants, engineers, attorneys, auditors, and other consultants), utility charges, and service provider fees and charges. It is the desire and intent of the Districts that, to the extent possible, the Costs for the Services be paid by the imposition by each Financing District of an ad valorem mill levy against the taxable property lying within its boundaries.

Nevertheless, nothing herein shall be construed as a limitation on the powers granted to the Financing Districts by Colorado law to use alternative sources of revenue to pay the Coordinating District for the Costs.

4. Budget Process

a. Preliminary Budget. Each year the Coordinating District shall prepare and submit to the Financing Districts a preliminary budget for the following fiscal year showing the Services to be provided and the proposed Costs anticipated to be incurred by the Coordinating District with respect to the Services (the “**Preliminary Budget**”). The Coordinating District shall deliver the Preliminary Budget to the Financing Districts on or before October 15 of each year.

b. Budget Review and Approval. Unless otherwise agreed to by the Districts, on or before November 1 of each year each Financing District shall either: (a) approve the Preliminary Budget (in which case the Preliminary Budget shall become the “Final Budget” for the applicable fiscal year, or (b) propose in writing to the Coordinating District additions to and/or deletions from the Preliminary Budget. If any Financing District does not provide a proposal for additions to and/or deletions from the Preliminary Budget in writing by November 1, such Financing District shall be deemed to have approved the Preliminary Budget as presented. If any Financing District does timely provide additions to and/or deletions from the Preliminary Budget, the Districts shall discuss and attempt in good faith to reach an agreement with respect to the Preliminary Budget on or before November 15 of each year.

c. Failure to Agree and Default Budget. In the event that the Coordinating District and the Financing Districts are unable to agree with regard to any proposed additions and/or deletions to the Preliminary Budget by November 15 of any year, then the Districts shall submit the Preliminary Budget to a mutually selected mediator in an attempt to reach agreement with respect to the Preliminary Budget. In the event the Districts cannot agree on a resolution to the dispute related to the Preliminary Budget by December 1st of any year, the Preliminary Budget with any revisions agreed to by the Districts to date shall be incorporated into and deemed to be the Final Budget; provided, however, that such Final Budget shall not include expenditures totaling the greater of: (1) 120% of the expenditures set forth and appropriated in the adopted budget for the current fiscal year, as the same may have been amended; or (2) 120% of the expenditures set forth in the Preliminary Budget that the Districts have agreed upon to date to be included in the Final Budget for the ensuing year. The budgeting, appropriation, and payments of the amounts called for in the Final Budget shall be made by the Financing Districts.

d. Budget Amendment. If after adoption of the Final Budget it appears to the Coordinating District that Costs for the year will exceed amounts as set forth in the Final Budget such that the Financing Districts will have to appropriate additional funds for the payment of the Costs for the year, the Coordinating District shall notify the Financing Districts as soon as reasonably practicable, and shall prepare and submit a proposed budget amendment to the Final Budget (each a “**Preliminary Budget Amendment**”) to the Financing Districts for review and comment. Within fifteen (15) days of submission of a Preliminary Budget Amendment to the Financing Districts, each Financing Districts shall either: (a) approve the Preliminary Budget

Amendment (in which case the Preliminary Budget Amendment shall become the “Final Budget Amendment”, or (b) propose in writing to the Coordinating District additions to and/or deletions from the Preliminary Budget Amendment. If any Financing District does not provide a proposal for additions to and/or deletions from the Preliminary Budget Amendment in writing within fifteen (15) days as required herein, such Financing District shall be deemed to have approved the Preliminary Budget Amendment as presented. If any Financing District does timely provide additions to and/or deletions from the Preliminary Budget Amendment, the Districts shall discuss and attempt in good faith to reach an agreement with respect to the Preliminary Budget Amendment within thirty (30) days of the submission of the Preliminary Budget Amendment to the Financing Districts from the Coordinating District. In the event that the Coordinating District and the Financing Districts are unable to agree with regard to any proposed additions and/or deletions to the Preliminary Budget Amendment within the time provided herein, then the Parties shall submit the Preliminary Budget Amendment to a mutually selected mediator in an attempt to reach agreement with respect to a Final Budget Amendment. In the event the Districts cannot agree on a Final Budget Amendment within the time set forth above, the Preliminary Budget Amendment, with any revisions agreed to by the Districts to date, shall be incorporated into and deemed to be the Final Budget Amendment; provided, however, that the Final Budget Amendment shall not include expenditures totaling the greater of: (1) 120% higher than the expenditures set forth and appropriated in Final Budget being amended by the Final Budget Amendment, or (2) 120% of the expenditures set forth in the Preliminary Budget Amendment that the Districts have agreed upon to date to be included in the Final Budget Amendment. The budgeting, appropriation, and payments of the amounts called for in said Final Budget Amendment shall be made by the Financing Districts.

5. Deposit. Unless otherwise agreed by the Coordinating District, the Financing Districts, on or before the 15th day of each month, shall deposit with the Coordinating District an amount equal to 1/12th of the annual Costs due from such Financing District as determined by the Final Budget. Notwithstanding the foregoing, the Districts acknowledge that the Financing Districts may fund the Costs via the imposition of an ad valorem mill levy, and in such case, may not have funds available during the first quarter of each fiscal year to make the payments set forth herein. In such event, the Coordinating District agrees to defer collection of such amounts until such time as the Financing Districts have collected the funds for the Costs via the collection of taxes imposed through an ad valorem mill levy. All Costs due to the Coordinating District from the Financing Districts shall be paid in lawful money of the United States of America by check mailed or delivered, or by wire transfer, to the Coordinating District, or such other method as may be mutually agreed to by the Districts. The Coordinating District shall keep a record of and account for all deposits made by the Financing Districts in accordance with generally acceptable accounting principles.

6. Fees and Charges. The Districts acknowledge that the Coordinating District will incur certain direct and indirect costs associated with the provision of the O&M Services in order to properly provide the O&M Services and to ensure that the health, safety and welfare of the Districts and their inhabitants may be safeguarded. The Financing Districts further recognize and acknowledge that the Coordinating District is providing the O&M Services for the direct benefit of the Financing Districts and the property owners within their boundaries, and that pursuant to § 32-1-1001(1)(j)(I), C.R.S., the Coordinating District is authorized to fix and impose fees, rates,

tolls, penalties and charges for services or facilities furnished by the Coordinating District which, until paid, shall constitute a perpetual lien on and against the property served. The Districts agree that the Coordinating District may from time to time establish a fair and equitable fee to provide a source of funding to pay for the O&M Services (the “**User Fees**”), which User Fees are to be reasonably related to the overall cost of providing the O&M Services, and be imposed on those who are reasonably likely to benefit from or use the O&M Services (the “**Users**”). The Financing Districts acknowledge that the Coordinating District will make a determinations as to the appropriate User Fees, taking into account mill levy revenues to be received from the Financing Districts in each fiscal year. The Financing Districts agree to cooperate with the Coordinating District in the collection of all User Fees due and owing, including but not necessarily limited to foreclosure as against the statutory perpetual lien associated with such User Fees.

7. Subject to Annual Appropriation and Budget. Notwithstanding anything contained herein to the contrary, the Districts agree that the Districts’ obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board of each District and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this Agreement shall be construed or interpreted as a delegation of governmental powers by the Districts, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the Districts, including, without limitation, Article X, Section 20, or Article XI, Sections 1, 2 or 6 of the Constitution of the State of Colorado.

8. Rules and Regulations. The Districts acknowledge and agree that the Coordinating District may enact, from time to time, rules and regulations with respect to the Public Improvements and Services. All rules and regulations, and amendments thereto, adopted and placed in force by the Coordinating District from time to time shall be fully enforceable within all Districts and against all Users. The Financing Districts agree to exercise authority and/or power they may have to assist the Coordinating District in enforcing the Coordinating District’s rules and regulations.

9. General Representations. In addition to the other representations, warranties and covenants made by the Districts in this Agreement, the Districts make the following representations, warranties and covenants to each other:

a. Each District has the full right, power and authority to enter into, perform and observe this Agreement.

b. This Agreement is a valid, binding and legally enforceable obligation of the Districts and is enforceable in accordance with its terms.

c. The Districts shall keep and perform all of the covenants and agreements contained in this Agreement and shall take no action that could have the effect of rendering this Agreement unenforceable in any manner.

10. Default, Remedies and Enforcement.

a. Events of Default. The violation of any provision of this Agreement by any District, the occurrence of any one or more of the following events, and/or the existence of any one or more of the following conditions shall constitute an “Event of Default” under this Agreement.

i. The failure to pay any payment when the same shall become due and payable as provided herein and to cure such failure within three (3) business days of the giving of notice by a District of such failure;

ii. The failure to perform or observe any other covenants, agreements, or conditions in this Agreement on the part of any District and to cure such failure within ten (10) days of receipt of notice from any of the other Districts of such failure; provided, however, that if the applicable default is of a nature that the same is not reasonably susceptible of being cured within such 10-day period, then the cure period shall extend so long as the defaulting District commences its cure within such 10-day period and thereafter pursues the cure to completion by the exercise of due diligence, as determined by the non-defaulting District(s);

iii. The filing of a voluntary petition under federal or state bankruptcy or insolvency laws by a District or the appointment of a receiver for any of a District’s assets which is not dismissed within thirty (30) days of such filing or appointment;

iv. Assignments by a Financing District for the benefit of a creditor and a failure to secure the release or termination of such assignments within thirty (30) days after the making of such assignments; or

v. The dissolution, insolvency, or liquidation of a District and a failure to cure such dissolution, insolvency or liquidation within ten (10) days of receipt of written notice.

b. Remedies on Occurrence of Events of Default. Upon the occurrence of an Event of Default, the non-defaulting District(s) hereto shall have the following rights and remedies:

i. In the event of breach of any provision of this Agreement, any non-defaulting District may ask a court of competent jurisdiction to enter a writ of mandamus to compel the Board of the defaulting District to perform its duties under this Agreement, and any non-defaulting District may seek from a court of competent jurisdiction temporary and/or permanent injunctions, or orders of specific performance, to compel the defaulting District to perform in accordance with the obligations set forth under this Agreement.

ii. The non-defaulting Districts may protect and enforce their rights under this Agreement by such suit, action, or special proceedings or remedies as they shall deem appropriate, including without limitation any proceedings for specific performance of any covenant or agreement contained herein, for the enforcement of any other appropriate legal or equitable remedy, or for the recovery of damages caused by breach of this Agreement, including

attorneys' fees and all other costs and expenses incurred in enforcing this Agreement or exercising any available remedies. If, at any time, there shall cease to be electors in the Coordinating District, or if no electors of the Coordinating District are willing to act as directors of the Coordinating District, any Financing District may ask a court of competent jurisdiction to designate the proper persons to assume control of the Coordinating District for purposes of causing the performance of the Coordinating District's obligations under this Agreement.

iii. In the event the Event of Default is non-payment by a Financing District, the Coordinating District may:

(a) Suspend the provision of the Services until such time as such Financing District cures such Event of Default; and/or

(b) Impose User Fees directly upon the Users for the provision of the O&M Services in lieu of collecting the Costs related to the O&M Services from such Financing District. In such event, methods of collection of the User Fees shall be determined by the Coordinating District. The Coordinating District shall have the right to delegate or assign such impositions and collection power to a billing or service entity of its choice.

iv. To terminate this Agreement for any Event of Default that causes the non-defaulting District(s) irreparable harm material to their aggregate interests under this Agreement.

v. To take or cause to be taken such other actions as the non-defaulting District(s) reasonably deem necessary.

c. Delay or Omission No Waiver. No delay or omission of any District to exercise any right or power accruing upon any Event of Default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such Event of Default, or acquiescence therein.

d. No Waiver of One Default to Affect Another; All Remedies Cumulative. No waiver of any Event of Default hereunder by any District shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the non-defaulting District(s) provided herein may be exercised with or without notice, shall be cumulative, may be exercised separately, concurrently or repeatedly, and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

11. Termination. The Districts acknowledge that they are part of an integrated project and community, that the Public Improvements are not easily partitioned among the Districts and that cooperation in the termination process will be necessary to ensure that the integrity and quality of the community is maintained.

a. Administrative Services. A Financing District may terminate this Agreement as it relates to the provision of Administrative Services by the Coordinating District

for that Financing District upon ninety (90) days' written notice to the Coordinating District. If this Agreement is terminated by any Financing District in relation to Administrative Services, the Coordinating District shall be paid for Administrative Services performed for that Financing District prior to such termination. In the event of termination of the Administrative Services, as of the effective date thereof, the Coordinating District shall be fully relieved of any and all obligation to provide such Administrative Services.

b. O&M Services. The Financing Districts' obligation to remit revenues to the Coordinating District, and the Coordinating District's obligation to provide the O&M Services, shall only terminate after a written notice has been provided by one of the Districts to the other Districts and an agreement is approved by each of the Financing Districts setting forth the matters required in this Section 11(b) (the "**Termination Agreement**"). It shall be required that any such Termination Agreement contain provisions to ensure that the Public Improvements are operated effectively and economically and that the public health, safety, prosperity, and general welfare of the residents and property owners within the Districts will be better served by the termination. Such Termination Agreement shall be required to include: (1) a plan for the manner in which ownership of the Public Improvements and ownership and maintenance shall be allocated and transferred as between the Districts; (2) a plan for payment associated with any outstanding obligations of the Coordinating District, as the same are incurred prior to the proposed date of termination; (3) to the extent any of the Public Improvements have been financed directly by the Coordinating District and such obligations remain outstanding, a plan for the payment of all such obligations and/or debts; and (4) the manner in which outstanding agreements of the Coordinating District may be terminated, cancelled, assigned or otherwise handled. The Termination Agreement shall be required to include an indemnification from the Financing Districts to the Coordinating District, which shall be acceptable to the Coordinating District and indemnify it against all injuries, losses and other events of damage associated with any such outstanding agreements.

In the event the Districts are not able to reach an agreement, they shall submit the issues to mediation and shall make a good faith effort to come to an agreement with the intent of reaching a cooperative solution that will best serve the residents and property owners of the Districts, as a whole. At such time as the provisions of the Termination Agreement are finalized in compliance with the requirements above, the Public Improvements shall be transferred in accordance with the provisions of the Termination Agreement and the Coordinating District shall be fully relieved of all further obligations absent any such obligations being specifically agreed to by the Coordinating District pursuant to the terms of the Termination Agreement.

12. Miscellaneous.

a. Relationship of Parties. This Agreement does not and shall not be construed as creating a joint venture, partnership, or employer-employee relationship between the Districts. The Districts intend that this Agreement be interpreted as creating only an ordinary contractual relationship between them, without any fiduciary or other special duties. The Districts hereby incorporate the RECITALS into this Agreement. It is also agreed that the conduct and control of the work and functions required by this Agreement shall lie solely with the Coordinating District which shall be free to exercise reasonable discretion in the performance

of its duties under this Agreement. No District shall, with respect to any activity, be considered an agent or employee of any other District.

b. Assignment. Except as set forth herein or as contemplated in the Service Plan, neither this Agreement, nor any of a District's rights, obligations, duties or authority hereunder may be assigned in whole or in part by any District without the prior written consent of all the other Districts. Any such attempt of assignment without the requisite consent shall be deemed void and of no force and effect at the election of any District with consent rights. Consent to one assignment shall not be deemed to be consent to any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment. Notwithstanding, nothing contained herein shall prohibit the Coordinating District from engaging contractors, consultants, employees or other third parties to perform the Services or any portion thereof, on behalf of the Coordinating District.

c. Modification. This Agreement may be modified, amended, changed or terminated, except as otherwise provided herein, in whole or in part, only by an agreement in writing duly authorized and executed by the Districts. No consent of any third party shall be required for the negotiation and execution of any such agreement.

d. Integration. This Agreement contains the entire agreement between and among the Districts regarding the subject matter hereof, and no statement, promise or inducement made by any District or the agent of any District that is not contained in this Agreement or separate written instrument shall be valid or binding.

e. Severability. If any covenant, term, condition or provision of this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition or provision shall not affect any other provision contained in the Agreement, the intention being that such provisions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

f. District Dissolution. In the event any District seeks to dissolve pursuant to §§ 32-1-701, *et seq.*, C.R.S., as amended, it shall provide written notification of the filing or application for dissolution to the other Districts concurrently with such filing. No District shall seek to dissolve so long as this Agreement is in effect without the prior written consent of the other Districts.

g. Survival of Obligations. Unfulfilled obligations of the Districts arising under this Agreement shall be deemed to survive the expiration of this Agreement or termination of this Agreement by court order. Said obligations shall be binding upon and inure to the benefit of the Districts and their respective successors and assigns.

h. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado. Venue shall be proper in the county in which the Districts are located.

i. Headings for Convenience Only. The headings, captions and titles contained herein are intended for convenience and reference only and are not intended to construe the provisions hereof.

j. Time Is of the Essence. Time is of the essence hereof; provided, however, that if the last day permitted or the date otherwise determined for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated.

k. Persons Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any Person other than the Districts, any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all of the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Districts shall be for the sole and exclusive benefit of the Districts acting through their respective Boards. This Agreement shall be construed as an intergovernmental agreement among the Districts only. It is expressly agreed by the Districts that no Person other than the Financing Districts shall obtain any enforceable rights to service from the Coordinating District, and, to this end, it is expressly declared by the Districts that no Person shall be construed as a third party beneficiary of any kind of this Agreement except as expressly stated herein.

l. Notices. Except as otherwise provided herein, all notices required under this Agreement shall be in writing and shall be (a) hand-delivered, and in such instance, considered effective upon delivery, (b) sent by registered or certified mail, return receipt requested, postage prepaid, and in such instance, considered effective seventy-two (72) hours after deposit in the United States mail with the proper address as set forth below, (c) sent by reputable overnight courier, and in such instance, considered effective on the next business day, or (d) sent via email, and in such instance considered effective upon receipt of an electronic delivery confirmation with a hard copy to be sent no later than three (3) business days after electronic delivery confirmation via one of the delivery methods specified in (a), (b) or (c) of this sentence, to the addresses of the Parties herein set forth. Any party by notice so given may change the address to which future notices shall be sent.

Coordinating District:	Transport Metropolitan District No. 1 c/o White Bear Ankele Tanaka & Waldron Attorneys at Law 2154 East Commons Avenue, Suite 2000 Centennial, Colorado 80122 Attention: William P. Ankele, Jr. (303) 858-1800 (phone) (303) 858-1801 (fax) wpankele@wbapc.com
------------------------	--

Financing Districts:	Transport Metropolitan District
----------------------	---------------------------------

Nos. 2 - 5
c/o White Bear Ankele Tanaka & Waldron
Attorneys at Law
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attention: William P. Ankele, Jr.
(303) 858-1800 (phone)
(303) 858-1801 (fax)
wpankele@wbapc.com

m. District Records. The Districts shall have the right to access and review each other's records and accounts, at reasonable times during the Districts' regular office hours, for purposes of determining compliance by the Districts with the terms of this Agreement. Such access shall be subject to the provisions of Public Records Act of the State of Colorado contained in §§ 24-72-101, *et seq.*, C.R.S. and any policies adopted by the District. In the event of disputes or litigation between the Parties hereto, all access and requests for such records shall be made in compliance with the Public Records Act and any applicable discovery rules.

n. Recovery of Costs. In the event of any litigation between or among the Districts hereto concerning the subject matter hereof, the prevailing District(s) in such litigation shall receive from the losing District(s), in addition to the amount of any judgment or other award entered therein, all reasonable costs and expenses incurred by the prevailing District(s) in such litigation, including reasonable attorneys' fees.

o. Compliance with Law. The Districts agree to comply with all federal, state and local laws, rules and regulations which are now, or in the future may become applicable to the Districts, to their business or operations, or to services required to be provided by this Agreement.

p. Instruments of Further Assurance. The Districts each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

q. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

r. Counterpart Execution. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

s. Negotiated Provisions. This Agreement shall not be construed more strictly against one Party than against another, it being acknowledged that each Party has contributed substantially and materially to the preparation of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Districts hereto have executed this Agreement as of the day and year first above written.

**TRANSPORT METROPOLITAN DISTRICT
NO. 1**

By: *Nick A. Hernandez*
[Nick A. Hernandez \(Jun 6, 2022 19:54 PDT\)](#)

Officer of the District

ATTEST:

Kelsey Hall

**TRANSPORT METROPOLITAN DISTRICT
NO. 2**

By: *Nick A. Hernandez*
[Nick A. Hernandez \(Jun 6, 2022 19:54 PDT\)](#)

Officer of the District

ATTEST:

Kelsey Hall

**TRANSPORT METROPOLITAN DISTRICT
NO. 3**

By: *Nick A. Hernandez*
[Nick A. Hernandez \(Jun 6, 2022 19:54 PDT\)](#)

Officer of the District

ATTEST:

Kelsey Hall

**TRANSPORT METROPOLITAN DISTRICT
NO. 4**

By: *Nick A. Hernandez*
Nick A. Hernandez (Jun 6, 2022 19:54 PDT)

Officer of the District

ATTEST:

Kelsey Hall

**TRANSPORT METROPOLITAN DISTRICT
NO. 5**

By: *Nick A. Hernandez*
Nick A. Hernandez (Jun 6, 2022 19:54 PDT)

Officer of the District

ATTEST:

Kelsey Hall

EXHIBIT A

ADMINISTRATIVE SERVICES TO BE PROVIDED BY THE COORDINATING DISTRICT

1. Serve as the “official custodian” and repository for the Financing Districts’ records, including, but not limited to, providing file space, incidental office supplies and photocopying, meeting facilities and reception services.
2. Coordination of all Board meetings to include:
 1. Preparation and distribution of agenda and information packets.
 2. Preparation and distribution of meeting minutes.
 3. Preparation, filing and posting of legal notices required in conjunction with the meeting.
 4. Other details incidental to meeting preparation and follow-up.
3. Ongoing maintenance of an accessible, secure, organized and complete filing system for the Financing Districts’ official records.
4. Monthly preparation of checks and coordination of postings with an accounting firm.
5. Periodic coordination with an accounting firm for financial report preparation and review of financial reports.
6. Insurance administration, including evaluating risks, comparing coverage, processing claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence, etc., and ascertaining that all contractors and subcontractors maintain required coverage for the Financing Districts’ benefit.
7. Election administration, including preparation of election materials, publications, legal notices, pleadings, conducting training sessions for election judges, and generally assisting in conducting the election.
8. Budget preparation, including preparation of proposed budget in coordination with an accounting firm, preparation of required and necessary publications, legal notices, resolutions, certifications, notifications and correspondence associated with the adoption of the annual budget and certification of the tax levy.
9. Response to inquiries, questions and requests for information from the Financing Districts’ property owners, residents and others.

10. Drafting proposals, bidding contract and construction administration, and supervision of contractors.
11. Analysis of financial condition and alternative financial approaches, and coordination and structuring of bond issue or other debt preparation.
12. Administration of the expenditure of any funds or proceeds related to any loans, bonds, or other financial obligations issued by one or more of the Districts.
13. Oversight of investment of the Districts' funds based on investment policies in accordance with state law.
14. Provide liaison and coordination with other governments.
15. Coordinate activities and provide information as requested to an external auditor engaged by the Coordinating District Board.
16. Supervise and ensure contract compliance of all service contractors.
17. Coordinate legal, accounting, management, engineering and other professional services.
18. Assist any auditors in the preparation of its annual audit as required by the laws of the State of Colorado.
19. Advise and assist the Financing Districts by analyzing the Financing Districts' long and short-term financial needs and presenting the Financing Districts with long and short-term financial proposals (including structuring of bond or other forms of debt issuance) to meet those needs.
20. Provide emergency communication services for the Coordinating District's facilities.
21. Perform such other services as may from time to time be reasonably necessary in furtherance of securing the Financing Districts' compliance with all applicable federal and state statutes and regulations and with applicable county and local laws; provided, however, that any and all expenditures in furtherance of these services shall be made and reimbursed in accordance with this Agreement.
22. Contracting for the design, planning, engineering, construction and/or acquisition, management, landscape architecture and engineering, soil testing and inspection, and line and systems testing and inspection attributable to the Public Improvements.
23. Obtaining any and all real property interests necessary for the provision of the Public Improvements.

24. Obtaining any and all governmental and/or administrative approvals necessary to the provision of the Public Improvements, including provision for the payment of fees associated therewith.

25. Performing and/or contracting for construction administration of construction contracts by which the Public Improvements are constructed.

26. Contracting for the acquisition of water rights to the extent necessary for the provision of the Public Improvements.

27. Administering collection of any amounts due to the Districts under any cost recovery or other reimbursement agreement relating to the Public Improvements.

28. Engagement of consultants necessary in connection with provision of the Administrative Services, including attorneys, accountants, engineers, managers, architects, soils consultants, and any other consultant determined by the Coordinating District to be necessary or appropriate to the provision of the Administrative Services.

29. In addition to these services, when other services are necessary in the opinion of the Coordinating District, the Coordinating District may recommend the same to the Financing Districts. The Coordinating District may, with the approval of the Financing Districts, provide any Administrative Services to the Financing Districts in lieu of retaining consultants or contractors to provide those services.

EXHIBIT B

O&M SERVICES TO BE PERFORMED BY THE COORDINATING DISTRICT

1. Operation and maintenance of any Public Improvements not otherwise dedicated or conveyed to any other governmental entity or owners association for the benefit of the Districts.
2. Maintain common areas, parks, entry monuments, landscaping, open space tracts, recreational facilities and other community amenities.
3. Provide trash service, architectural review, and covenant enforcement services (as applicable).

JOINT FUNDING AGREEMENT (CONSTRUCTION SOIL)

This JOINT FUNDING AGREEMENT ("Agreement") is entered into by and among TRANSPORT METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado ("District No. 1"), TRANSPORT METROPOLITAN DISTRICT NO. 3, a quasi-municipal corporation and political subdivision of the State of Colorado ("District No. 3"), and TRANSPORT METROPOLITAN DISTRICT NO. 5, a quasi-municipal corporation and political subdivision of the State of Colorado ("District No. 5"), collectively referred to herein as the "Districts", "Parties" or individually as a "District" or "Party."

RECITALS

WHEREAS, the Parties are each quasi-municipal corporations and political subdivisions of the State of Colorado, organized pursuant to Section 32-1-101, *et seq.*, C.R.S. (the "**Special District Act**") organized for the purposes set forth in the respective Service Plan approved by the City of Aurora, Colorado (collectively, the "**Service Plan**"); and

WHEREAS, the Parties are authorized to provide for the financing, construction, installation, operation and maintenance of public infrastructure and improvements, as described in the Special District Act, within and without their respective boundaries (the "**Project**"); and

WHEREAS, pursuant to Article XIV, Section 18(2)(a) of the Colorado Constitution, § 29-1-203, C.R.S., and § 32-1-1001(1)(d)(I), C.R.S., the Parties' respective Boards of Directors are empowered to enter into contracts and agreements affecting the affairs of such Party, and are authorized enter into cooperative agreements with other political subdivisions to provide any lawfully authorized function, service, or facility, including the sharing of costs; and

WHEREAS, District No. 1 serves as the "**Coordinating District**" to provide operation, administrative, and construction services within the Transport Metropolitan District Nos. 1-15; and

WHEREAS, as the Coordinating District, District No. 1 is in the process of constructing public improvements including but not limited to roadway improvements for the benefit of District No. 3 and District No. 5 (the "**Work**"); and

WHEREAS, District No. 1 publically bid the Work which includes importing approximately 2,000,000 cubic yards of construction soil; and

WHEREAS, District No. 1 received bids for importing the necessary construction soil at a cost of \$35/cubic yard which exceeds District No. 1's budget; and

WHEREAS, Western Transport, LLC ("**Western Transport**") owns the property adjacent to the location of the Work and is willing to sell a supply of soil to District No. 1 at a rate of \$15/cubic yard; and

WHEREAS, District No. 1 desires to enter into that certain Soil Purchase and Supply Agreement (the “**Purchase Agreement**”) with Western Transport, attached hereto as **Exhibit A**, to purchase approximately 2,000,000 cubic yards of construction soil with funding from District No. 3 and District No. 5; and

WHEREAS, District No. 3 previously issued its General Obligation Bonds, Series 2020A-1, and its General Obligation Bonds, Series 2020A-2, in the total approximate aggregate principal amount of \$88,348,779, for the purpose of, among other things, funding or reimbursing a portion of the Public Improvements to serve the Project (the “**Bonds**”); and

WHEREAS, District No. 1 and District No. 3 previously adopted that certain Joint Resolution Regarding Intent to Implement a Common Plan of Finance under which District No. 3 declared its intent to make funds available from the Bonds to District No. 1 to pay for public improvements; and

WHEREAS, District No. 5 is willing to issue bonds of its own, or issue a note to Western Transport in order to pay a portion of the costs to acquire the soil supply; and

WHEREAS, the Parties find and determine that an agreement to jointly fund the cost to acquire the construction soil is in the best interest of the Districts, their property owners, and taxpayers.

COVENANTS AND AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals which are deemed a substantive part hereof, and for and in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

1. **Purpose.** The purpose of this Agreement is to provide for the shared funding of construction soil to be purchased by District No. 1 from Western Transport to be used for construction of roadway improvements benefitting District No. 3 and District No. 5.

2. **Acknowledgement of Total Price.** The Parties acknowledge that pursuant to the Purchase Agreement the price to acquire an initial 1,000,000 cubic yards of construction soil is equal to \$15 per cubic yard, for a total cost of \$15,000,000 (the “**Base Price**”), and the price to acquire up to an additional 1,000,000 cubic yards of construction soil is equal to \$15 per cubic yard, for a total cost of \$15,000,000 (the “**Additional Price**”). The Base Price together with the Additional Price, subject to adjustment pursuant to the Purchase Agreement is the “**Total Price**”.

3. **Payment of Base Price/Allocable Amount.** In order to allow District No. 1 to purchase the necessary construction soil supply for the benefit of both District No. 3 and District No. 5, District No. 3 and District No. 5 agree to each pay a portion of the Total Price as follows:

a. **District No. 3 Portion.** District No. 3 hereby agrees to make available to District No. 1 in immediately available funds the amount of \$15,000,000 to pay the Base Price under the Purchase Agreement.

b. **District No. 5 Portion.** District No. 5 hereby agrees to either (i) make available to District No. 1 in immediately available funds the amount of \$15,000,000 if it has issued bonds or has other available funds, or (ii) to deliver to Western Transport an executed promissory note (the “Note”) in the amount of \$15,000,000 in favor of Western Transport with a maturity date that is the date that District No. 5 has issued bonds in an amount sufficient to pay the Note.

The Parties agree that the amount of the Total Price allocated to each District No. 3 and District No. 5 represents a fair and equitable allocation of the Total Price, based on the expected benefit to District No. 3 and District No. 5

4. **No Debt/Annual Appropriation.** It is hereby agreed and acknowledged that the financial obligations of this Agreement shall not constitute a debt or indebtedness of any of the Districts within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and shall be at all times subject to annual appropriation by the applicable District in its discretion. Notwithstanding the foregoing, in the event a court of competent jurisdiction determines that any term of this Agreement constitutes a multi-fiscal year financial obligation or other obligation requiring voter authorization under Article X, Section 20 of the Colorado Constitution, District Nos. 3 and District No. 5 hereby affirm that each such District has sufficient voter authorization for the obligations imposed on each such District under this Agreement. Additionally, to the extent TABOR so requires, any District’s failure to appropriate funds in any given fiscal year will not be deemed or construed to constitute a default by the District Agreement. Any District’s failure to appropriate funds in any given fiscal year will not be deemed or construed to affect a discharge of the District’s obligation to pay any amounts due hereunder in any subsequent fiscal year.

5. **Modification and Termination.** This Agreement may be modified, altered, amended or terminated only by written consent of the Districts.

6. **Entire Agreement.** This Agreement embodies the complete agreement between the Districts regarding the subject matter herein and supersedes all prior agreements and understandings, if any.

7. **Third Party Beneficiaries.** With the exception of Western Transport, the Districts do not intend to benefit any person not a party to this Agreement. No person or entity, other than the Districts or Western Transport, shall have any right, legal or equitable, to enforce any provision of this Agreement.

8. **Assignment.** No District shall assign the Agreement in whole or in part. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

9. **Severability.** If any provision of this Agreement is held invalid or unenforceable, no other provision shall be affected by such holding and all of the remaining provisions of this Agreement shall continue in full force and effect to the extent practicable.

10. **Waiver.** No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default herein be deemed a waiver of any subsequent default herein.

11. **Notices.** All notices, demands and communications (collectively, “Notices”) under this Agreement shall be delivered or sent by: (a) first class, registered or certified mail, postage prepaid, return receipt requested, (b) nationally recognized overnight carrier, addressed to the address of the intended recipient set forth below or such other address as either party may designate by notice pursuant to this section, or (c) PDF or email. Notices shall be deemed given either one business day after delivery to the overnight carrier, three (3) days after being mailed as provided in clause (a) above, or upon confirmed delivery as provided in clause (c) above.

To District No. 1: Transport Metropolitan District No. 1
2154 E. Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attn: William P. Ankele, Esq. and Zachary P. White, Esq.
Phone: (303) 858-1800
Facsimile: (303) 858-1802

To District No. 3: Transport Metropolitan District No. 3
2154 E. Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attn: William P. Ankele, Esq. and Zachary P. White, Esq.
Phone: (303) 858-1800
Facsimile: (303) 858-1802

To District No. 5: Transport Metropolitan District No. 5
2154 E. Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attn: William P. Ankele, Esq. and Zachary P. White, Esq.
Phone: (303) 858-1800
Facsimile: (303) 858-1802

12. **Governing Law.** This Agreement shall be governed and construed under the laws of the State of Colorado.

13. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

Remainder of the page left intentionally blank – Signature pages follow

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written. By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

DISTRICT NO. 1:

TRANSPORT METROPOLITAN DISTRICT NO.
1, a quasi-municipal corporation and political
subdivision of the State of Colorado



Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

DISTRICT NO. 3:

TRANSPORT METROPOLITAN DISTRICT NO.
3, a quasi-municipal corporation and political
subdivision of the State of Colorado



Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

DISTRICT NO. 5:

TRANSPORT METROPOLITAN DISTRICT NO.
5, a quasi-municipal corporation and political
subdivision of the State of Colorado

A handwritten signature in blue ink, reading "Kelsey B. Hall", is written over a horizontal line.

Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

EXHIBIT A
(Purchase Agreement)

EXHIBIT D
2022 Audits (District Nos. 1 & 3)
Audit Exemption Applications (District Nos. 2, 4 & 5)

**TRANSPORT METROPOLITAN
DISTRICT NO. 1
Adams County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

**TRANSPORT METROPOLITAN DISTRICT NO. 1
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2022**

INDEPENDENT AUDITOR'S REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	17
OTHER INFORMATION	
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	19

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Transport Metropolitan District No. 1
Adams County, Colorado

Opinions

We have audited the financial statements of the governmental activities and each major fund of TransPort Metropolitan District No. 1, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise TransPort Metropolitan District No. 1's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of TransPort Metropolitan District No. 1, as of December 31, 2022, and the respective changes in financial position and, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of TransPort Metropolitan District No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

TransPort Metropolitan District No. 1's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TransPort Metropolitan District No. 1's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- ! Exercise professional judgment and maintain professional skepticism throughout the audit.
- ! Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- ! Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Transport Metropolitan District No. 1's internal control. Accordingly, no such opinion is expressed.
- ! Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- ! Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TransPort Metropolitan District No. 1's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has not presented Management's Discussion and Analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basis financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basis financial statements is not affected by the missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise TransPort Metropolitan District No. 1's basic financial statements. The supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedule of Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express any opinion or provide any assurance on them.

A handwritten signature in black ink that reads "Watson Coon Ryan, LLC". The signature is written in a cursive, flowing style.

Watson Coon Ryan, LLC
March 13, 2023
Centennial, Colorado

BASIC FINANCIAL STATEMENTS

TRANSPORT METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments	\$ 140,261
Cash and Investments - Restricted	7,200
Due from Other Districts	2,027,821
Due from Developer	24,199
Prepaid Insurance	13,989
Property Tax Receivable	1
Capital Assets, Not Being Depreciated	75,106,835
Total Assets	<u>77,320,306</u>
LIABILITIES	
Accounts Payable	3,440,393
Retainage Payable	1,454,223
Accrued Interest Payable	8,238
Noncurrent Liabilities:	
Developer Advances Due in More Than One Year	81,185
Total Liabilities	<u>4,984,039</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>1</u>
Total Deferred Inflows of Resources	<u>1</u>
NET POSITION	
Restricted For:	
Emergencies	7,200
Unrestricted	<u>72,329,066</u>
Total Net Position	<u><u>\$ 72,336,266</u></u>

See accompanying Notes to Basic Financial Statements.

TRANSPORT METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

		Program Revenues			Net Revenue (Expense) and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
	Expenses				
FUNCTIONS/PROGRAMS					
Primary Government:					
Government Activities:					
General Government	\$ 250,805	\$ -	\$ 238,256	\$ -	\$ (12,549)
Public Works	-	-	-	52,630,095	52,630,095
Interest and Related Costs on Long-Term Debt	4,871	-	-	-	(4,871)
Total Governmental Activities	<u>\$ 255,676</u>	<u>\$ -</u>	<u>\$ 238,256</u>	<u>\$ 52,630,095</u>	52,612,675
GENERAL REVENUES					
Property Taxes					1
Total General Revenues					<u>1</u>
CHANGE IN NET POSITION					52,612,676
Net Position - Beginning of Year					<u>19,723,590</u>
NET POSITION - END OF YEAR					<u><u>\$ 72,336,266</u></u>

See accompanying Notes to Basic Financial Statements.

TRANSPORT METROPOLITAN DISTRICT NO. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General	Capital Projects	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 140,261	\$ -	\$ 140,261
Cash and Investments - Restricted	7,200	-	7,200
Due from District No. 2	82,581	-	82,581
Due from District No. 3	4,222	1,934,049	1,938,271
Due from District No. 4	6,969	-	6,969
Due from Developer	2,148	22,051	24,199
Prepaid Insurance	13,989	-	13,989
Property Taxes Receivable	1	-	1
Total Assets	<u>\$ 257,371</u>	<u>\$ 1,956,100</u>	<u>\$ 2,213,471</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
LIABILITIES			
Accounts Payable	\$ 5,355	\$ 3,435,038	\$ 3,440,393
Retainage Payable	-	1,454,223	1,454,223
Total Liabilities	<u>5,355</u>	<u>4,889,261</u>	<u>4,894,616</u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	<u>1</u>	<u>-</u>	<u>1</u>
Total Deferred Inflows of Resources	1	-	1
FUND BALANCES (DEFICITS)			
Nonspendable	13,989	-	13,989
Restricted For:			
Emergency Reserves	7,200	-	7,200
Unassigned	<u>230,826</u>	<u>(2,933,161)</u>	<u>(2,702,335)</u>
Total Fund Balances (Deficits)	<u>252,015</u>	<u>(2,933,161)</u>	<u>(2,681,146)</u>
Total Liabilities and and Fund Balances (Deficits)	<u>\$ 257,371</u>	<u>\$ 1,956,100</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the funds.

75,106,835

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.

Bond Interest Payable

Developer Advance Payable

(81,185)

Accrued Interest on Developer Advances

(8,238)

Net Position of Governmental Activities

\$ 72,336,266

See accompanying Notes to Basic Financial Statements.

TRANSPORT METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General	Capital Projects	Total Governmental Funds
REVENUES			
Property Taxes	\$ 1	\$ -	\$ 1
Developer Contribution	-	321,108	321,108
Transfer from District No. 2	220,076	-	220,076
Transfer from District No. 3	334	52,308,987	52,309,321
Transfer from District No. 4	17,846	-	17,846
Total Revenues	<u>238,257</u>	<u>52,630,095</u>	<u>52,868,352</u>
EXPENDITURES			
General, Administrative, and Operations:			
Accounting	33,771	33,771	67,542
Audit	11,500	-	11,500
Banking Fees	421	-	421
Dues and Membership	1,537	-	1,537
Election	2,698	-	2,698
Insurance	9,966	-	9,966
Legal	33,100	74,759	107,859
Miscellaneous	951	-	951
Capital Outlay:			
Engineering - Cost Verification	-	48,331	48,331
Capital Outlay - District Costs	-	35,460,130	35,460,130
Capital Outlay - Developer Certified Costs	-	19,069,850	19,069,850
Repay Developer Advance	-	19,069,850	19,069,850
Total Expenditures	<u>93,944</u>	<u>73,756,691</u>	<u>73,850,635</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	144,313	(21,126,596)	(20,982,283)
OTHER FINANCING SOURCES (USES)			
Developer Advance	-	19,069,850	19,069,850
Transfer Between Other Funds	(2,537)	2,537	-
Total Other Financing Sources	<u>(2,537)</u>	<u>19,072,387</u>	<u>19,069,850</u>
NET CHANGE IN FUND BALANCES	141,776	(2,054,209)	(1,912,433)
Fund Balances (Deficits) - Beginning of Year	<u>110,239</u>	<u>(878,952)</u>	<u>(768,713)</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 252,015</u>	<u>\$ (2,933,161)</u>	<u>\$ (2,681,146)</u>

See accompanying Notes to Basic Financial Statements.

**TRANSPORT METROPOLITAN DISTRICT NO. 1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Governmental Funds	\$ (1,912,433)
--	----------------

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay	54,529,980
----------------	------------

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Current Year Developer Advance	(19,069,850)
Repay Developer Advance	19,069,850

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Interest on Developer Advance	(4,871)
-------------------------------	---------

Changes in Net Position of Governmental Activities	<u>\$ 52,612,676</u>
--	----------------------

TRANSPORT METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1	\$ 1	\$ -
Specific Ownership Taxes	1	-	(1)
Transfer from District No. 2	220,378	220,076	(302)
Transfer from District No. 3	209	334	125
Transfer from District No. 4	17,526	17,846	320
Total Revenues	238,115	238,257	142
EXPENDITURES			
Accounting	63,000	33,771	29,229
Audit	5,800	11,500	(5,700)
Banking Fees	500	421	79
Contingency	10,000	-	10,000
Dues and Membership	1,200	1,537	(337)
Election	2,500	2,698	(198)
Insurance	10,200	9,966	234
Legal	97,000	33,100	63,900
Miscellaneous	5,000	951	4,049
Total Expenditures	195,200	93,944	101,256
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	42,915	144,313	101,398
OTHER FINANCING SOURCES (USES)			
Transfers to Other Funds	-	(2,537)	(2,537)
Total Other Financing Sources (Uses)	-	(2,537)	(2,537)
NET CHANGE IN FUND BALANCE	42,915	141,776	98,861
Fund Balance - Beginning of Year	89,670	110,239	20,569
FUND BALANCE - END OF YEAR	<u>\$ 132,585</u>	<u>\$ 252,015</u>	<u>\$ 119,430</u>

See accompanying Notes to Basic Financial Statements.

TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 DEFINITION OF REPORTING ENTITY

TransPort Metropolitan District No. 1 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, which is located in the City of Aurora was organized following an election held on November 7, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District, together with TransPort Metropolitan District Nos. 2-15 (the Districts) are collectively undertaking the financing and construction of certain public improvements within and without the boundaries of the Districts. The service plans for the Districts authorize the Districts to enter into certain intergovernmental cost sharing and recovery agreements which govern the relationships between and among the Districts with respect to financing, construction and operation of the public improvements. These services are determined through the Coordinating Services Agreement.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and public hearing requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its Capital Fund annual budget for the year ended December 31, 2022.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and, generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of the net investment in capital assets component of the District's net position.

TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Equity

Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Deficits

The Capital Project Fund reported a deficit in the fund financial statements as of December 31, 2022. The deficit will be eliminated with a transfer from TransPort Metropolitan District No. 3 in 2023.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 140,261
Cash and Investments - Restricted	7,200
Total Cash and Investments	<u>\$ 147,461</u>

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 147,461
Total Cash and Investments	<u>\$ 147,461</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District's cash deposits had a bank balance and carrying balance of \$147,461.

As of December 31, 2022, the District had no investments.

TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 CAPITAL ASSETS

An analysis of the changes in property for the period ended December 31, 2022, follows:

	Balance - December 31, 2021	Increases	Decreases	Balance - December 31, 2022
Capital Assets, Not Being Depreciated:				
Construction in Progress:	\$ 20,576,855	\$ 54,529,980	\$ -	\$ 75,106,835
Total Capital Assets, Not Being Depreciated	<u>\$ 20,576,855</u>	<u>\$ 54,529,980</u>	<u>\$ -</u>	<u>\$ 75,106,835</u>

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2022:

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Due Within One Year
Governmental Activities:					
Other Debt:					
Developer Advances:					
Operating	\$ 81,185	\$ -	\$ -	\$ 81,185	\$ -
Capital	-	19,069,850	19,069,850	-	-
Accrued Interest on Developer Advance - Operating	3,367	4,871	-	8,238	-
Total	<u>\$ 84,552</u>	<u>\$ 19,074,721</u>	<u>\$ 19,069,850</u>	<u>\$ 89,423</u>	<u>\$ -</u>

Authorized Debt

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$1,500,000,000, and the eligible electors of the District have authorized the issuance of bond indebtedness of up to \$21,000,000,000.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area; however, as of the date of this audit, the amount and timing of any debt issuances is not determinable.

TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 6 NET POSITION

The District has net position consisting of two components – restricted and unrestricted.

The restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2022, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	\$ 7,200
Total Restricted Net Position	\$ 7,200

The remaining balance of Net Position is unrestricted.

NOTE 7 RELATED PARTIES

The property within the District is being developed by Transport Colorado, LLC (the Developer). During 2022, all of the members of the Board of Directors were officers or employees of, or otherwise associated with the Developer or a related entity and may have conflicts of interest in matters involving the District.

The District and the Western Transport, LLC (Western Transport) entered into an Independent Contractor Agreement for Construction Management Services dated March 22, 2021 (the Construction Management Agreement) whereby Western Transport is to provide construction management services during the construction of public improvements. On October 6, 2021, with the consent of the District, Western Transport assigned the Construction Management Agreement to Front Range Construction Management LLC, a company also related to Western Transport (the Developer). The management fee is 4.5% of the amount of the managed costs, excluding engineering cost certification and administrative costs. During the year, the District paid \$1,475,927 for construction management services. At the end of the year, \$48,577 was payable to Front Range Construction Management.

NOTE 8 AGREEMENTS

District Coordinating Services Agreement (District Nos. 1-4)

Effective as of November 20, 2019, the District and TransPort Metropolitan District Nos. 2-4 (collectively, the Coordinating Districts) entered into a District Coordinating Services Agreement (the Coordinating Services Agreement) for the purpose of establishing the respective obligations of the Districts with respect to the coordination, oversight, construction and funding of certain administrative costs of the Coordinating Districts, and costs related to the continued operation and maintenance of certain of the public improvements within such Coordinating Districts. Pursuant to the Coordinating Services Agreement, the District was designated as the “coordinating district”. TransPort Metropolitan District Nos. 2-4 were each designated as “financing districts”.

TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 8 AGREEMENTS (CONTINUED)

Infrastructure Acquisition and Reimbursement Agreement

The District and Western Transport entered into an Infrastructure Acquisition and Reimbursement Agreement on February 10, 2021 (the Acquisition Agreement). Pursuant to the Acquisition Agreement, the District and the Western establish the process and procedure for the acceptance of district eligible costs by the District, and reimbursement of the same to Western Transport, and establish the process for acquisition of public improvements constructed by Western Transport. The District agrees to reimburse Western Transport for certified eligible costs related to public improvements together within simple interest that shall accrue on amounts reimbursable to Western Transport under this Agreement, until paid, at the rate of 6% per annum.

Funding and Reimbursement Agreement (Capital)

The District and the Developer entered into a Funding and Reimbursement Agreement on November 18, 2020, for the purposes of funding capital costs. With respect to each loan advance made under this agreement prior to the issuance of any Reimbursement Obligation reflecting such advance, the interest rate shall be 6% per annum, from the date any such advance is made, simple interest, to the earlier of the date the Reimbursement Obligation is issued to evidence such advance, or the date of repayment of such amount.

As of December 31, 2022, there were no outstanding advances or accrued interest under this agreement.

Funding and Reimbursement Agreement (Operations and Maintenance)

The District and the Developer entered into a Funding and Reimbursement Agreement on February 5, 2020, for the purposes of funding operations and maintenance costs. With respect to each loan advance made under this agreement prior to the issuance of any Reimbursement Obligation reflecting such advance, the interest rate shall be 6% per annum, from the date any such advance is made, simple interest, to the earlier of the date the Reimbursement Obligation is issued to evidence such advance, or the date of repayment of such amount.

As of December 31, 2022, outstanding advances under this agreement totaled \$81,185 and accrued interest totaled \$8,238.

NOTE 9 INTERFUND AND OPERATING TRANSFERS

The transfer from the General Fund to Capital Fund was related to funding certain capital expenses.

TRANSPORT METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 11 TAX, SPENDING, AND DEBT LIMITATION

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 7, 2006, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

NOTE 12 COMMITMENTS AND CONTINGENCIES

As of December 31, 2022, the District had construction related contract commitments of approximately \$3,453,289.

SUPPLEMENTARY INFORMATION

**TRANSPORT METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Transfer from District No. 3	\$ 51,530,831	\$ 55,242,148	\$ 52,308,987	\$ (2,933,161)
Developer Contribution	-	321,108	321,108	-
Total Revenues	51,530,831	55,563,256	52,630,095	(2,933,161)
EXPENDITURES				
Accounting	25,000	33,771	33,771	-
Legal	59,000	74,759	74,759	-
Engineering - Cost Verification	73,500	48,331	48,331	-
Engineering	10,000	-	-	-
Repay Developer Advance	-	19,069,850	19,069,850	-
Capital Outlay - District Costs	14,000,000	35,460,130	35,460,130	-
Capital Outlay - Developer Certified Costs	10,837,700	19,069,850	19,069,850	-
Contingency	26,525,631	-	-	-
Total Expenditures	51,530,831	73,756,691	73,756,691	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(18,193,435)	(21,126,596)	(2,933,161)
OTHER FINANCING SOURCES (USES)				
Developer Advance	-	19,069,850	19,069,850	-
Transfers from Other Funds	-	2,537	2,537	-
Total Other Financing Sources (Uses)	-	19,072,387	19,072,387	-
NET CHANGE IN FUND BALANCE	-	878,952	(2,054,209)	(2,933,161)
Fund Balance (Deficit) - Beginning of Year	-	(878,952)	(878,952)	-
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,933,161)</u>	<u>\$ (2,933,161)</u>

OTHER INFORMATION

TRANSPORT METROPOLITAN DISTRICT NO. 1
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Total Mills Levied		Total Property Taxes		Percent Collected to Levied
		General Operations	Debt Service	Levied	Collected	
2020	\$ 210	50.000	0.000	\$ 11	\$ 12	109 %
2021	10	50.000	0.000	1	1	100
2022	10	50.000	0.000	1	1	100
Estimated for Year Ending December 31, 2023	\$ 10	50.000	0.000	\$ 1		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information received from the County Treasurer does not permit identification of specific year of assessment.

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT	Transport Metropolitan District No. 2
ADDRESS	8390 E Crescent Parkway
	Suite 300
	Greenwood Village, CO 80111
CONTACT PERSON	Jason Carroll
PHONE	303-779-5710
EMAIL	Jason.Carroll@claconnect.com

For the Year Ended
12/31/2022
or fiscal year ended:

CERTIFICATION OF PREPARER

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

NAME:	Jason Carroll
TITLE	Accountant for the District
FIRM NAME (if applicable)	CliftonLarsonAllen LLP
ADDRESS	8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111
PHONE	303-779-5710
DATE PREPARED	2/24/2023
RELATIONSHIP TO ENTITY	CPA Firm providing accounting services to the District

PREPARER (SIGNATURE REQUIRED)

--

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]	YES	NO	If Yes, date filed:
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

		Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page	
Line #	Description	General	Fund*	Description	Fund*		Fund*
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ 81,351	\$ -	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ 1,230	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
1-5	Property Tax Receivable	\$ 246,464	\$ -	Other Current Assets [specify...]			
	All Other Assets [specify...]				\$ -	\$ -	
1-6	Lease Receivable (as Lessor)	\$ -	\$ -	Total Current Assets	\$ -	\$ -	
1-7		\$ -	\$ -	Capital & Right to Use Assets, net (from Part 6-4)	\$ -	\$ -	
1-8		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 329,045	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	
Deferred Outflows of Resources:				Deferred Outflows of Resources			
1-12		\$ -	\$ -	[specify...]	\$ -	\$ -	
1-13	[specify...]	\$ -	\$ -	[specify...]	\$ -	\$ -	
1-14	(add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS	\$ -	\$ -	(add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS	\$ -	\$ -	
1-15	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 329,045	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	
Liabilities				Liabilities			
1-16	Accounts Payable	\$ -	\$ -	Accounts Payable	\$ -	\$ -	
1-17	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -	
1-18	Unearned Property Tax Revenue	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -	
1-19	Due to Other Entities or Funds	\$ 82,581	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-20	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-21	(add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES	\$ 82,581	\$ -	(add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES	\$ -	\$ -	
1-22	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -	
1-23		\$ -	\$ -	Other Liabilities [specify...]:	\$ -	\$ -	
1-24		\$ -	\$ -		\$ -	\$ -	
1-25		\$ -	\$ -		\$ -	\$ -	
1-26		\$ -	\$ -		\$ -	\$ -	
1-27	(add lines 1-21 through 1-26) TOTAL LIABILITIES	\$ 82,581	\$ -	(add lines 1-21 through 1-26) TOTAL LIABILITIES	\$ -	\$ -	
Deferred Inflows of Resources:				Deferred Inflows of Resources			
1-28	Deferred Property Taxes	\$ 246,464	\$ -	Pension/OPEB Related	\$ -	\$ -	
1-29	Lease related (as lessor)	\$ -	\$ -	Other [specify...]	\$ -	\$ -	
1-30	(add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS	\$ 246,464	\$ -	(add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS	\$ -	\$ -	
Fund Balance				Net Position			
1-31	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ -	\$ -	
1-32	Nonspendable Inventory	\$ -	\$ -				
1-33	Restricted [specify...]	\$ -	\$ -	Emergency Reserves	\$ -	\$ -	
1-34	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-35	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-36	Unassigned:	\$ -	\$ -	Undesignated/Unreserved/Unrestricted	\$ -	\$ -	
1-37	Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ -	\$ -	Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL NET POSITION	\$ -	\$ -	
1-38	Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 329,045	\$ -	Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ -	\$ -	

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

Line #		Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
			General	Fund*		Fund*	Fund*	
Tax Revenue					Tax Revenue			
2-1	Property	[include mills levied in Question 10-6]	\$ 208,851	\$ -	Property	[include mills levied in Question 10-6]	\$ - \$ -	
2-2	Specific Ownership		\$ 14,358	\$ -	Specific Ownership		\$ - \$ -	
2-3	Sales and Use Tax		\$ -	\$ -	Sales and Use Tax		\$ - \$ -	
2-4	Other Tax Revenue	[specify...]:	\$ -	\$ -	Other Tax Revenue	[specify...]:	\$ - \$ -	
2-5			\$ -	\$ -			\$ - \$ -	
2-6			\$ -	\$ -			\$ - \$ -	
2-7			\$ -	\$ -			\$ - \$ -	
2-8	Add lines 2-1 through 2-7 TOTAL TAX REVENUE		\$ 223,209	\$ -	Add lines 2-1 through 2-7 TOTAL TAX REVENUE		\$ - \$ -	
2-9	Licenses and Permits		\$ -	\$ -	Licenses and Permits		\$ - \$ -	
2-10	Highway Users Tax Funds (HUTF)		\$ -	\$ -	Highway Users Tax Funds (HUTF)		\$ - \$ -	
2-11	Conservation Trust Funds (Lottery)		\$ -	\$ -	Conservation Trust Funds (Lottery)		\$ - \$ -	
2-12	Community Development Block Grant		\$ -	\$ -	Community Development Block Grant		\$ - \$ -	
2-13	Fire & Police Pension		\$ -	\$ -	Fire & Police Pension		\$ - \$ -	
2-14	Grants		\$ -	\$ -	Grants		\$ - \$ -	
2-15	Donations		\$ -	\$ -	Donations		\$ - \$ -	
2-16	Charges for Sales and Services		\$ -	\$ -	Charges for Sales and Services		\$ - \$ -	
2-17	Rental Income		\$ -	\$ -	Rental Income		\$ - \$ -	
2-18	Fines and Forfeits		\$ -	\$ -	Fines and Forfeits		\$ - \$ -	
2-19	Interest/Investment Income		\$ -	\$ -	Interest/Investment Income		\$ - \$ -	
2-20	Tap Fees		\$ -	\$ -	Tap Fees		\$ - \$ -	
2-21	Proceeds from Sale of Capital Assets		\$ -	\$ -	Proceeds from Sale of Capital Assets		\$ - \$ -	
2-22	All Other	[specify...]:	\$ -	\$ -	All Other	[specify...]:	\$ - \$ -	
2-23			\$ -	\$ -			\$ - \$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES		\$ 223,209	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES		\$ - \$ -	
Other Financing Sources					Other Financing Sources			
2-25	Debt Proceeds		\$ -	\$ -	Debt Proceeds		\$ - \$ -	
2-26	Lease Proceeds		\$ -	\$ -	Lease Proceeds		\$ - \$ -	
2-27	Developer Advances		\$ -	\$ -	Developer Advances		\$ - \$ -	
2-28	Other	[specify...]:	\$ -	\$ -	Other	[specify...]:	\$ - \$ -	
2-29	Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES		\$ -	\$ -	Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES		\$ - \$ -	GRAND TOTALS
2-30	Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES		\$ 223,209	\$ -	Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES		\$ - \$ -	

IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER than \$750,000 -STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES/EXPENSES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General	Fund*		Fund*	Fund*	
	Expenditures			Expenses			
3-1	General Government	\$ -	\$ -	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ -	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -	
3-10	Transfers to other districts	\$ 220,076	\$ -	Utilities	\$ -	\$ -	
3-11	County Treasurer Fees	\$ 3,133	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other [specify...]	\$ -	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal (should match amount in 4-4)	\$ -	\$ -	Principal (should match amount in 4-4)	\$ -	\$ -	
3-16	Interest	\$ -	\$ -	Interest	\$ -	\$ -	
3-17	Bond Issuance Costs	\$ -	\$ -	Bond Issuance Costs	\$ -	\$ -	
3-18	Developer Principal Repayments	\$ -	\$ -	Developer Principal Repayments	\$ -	\$ -	
3-19	Developer Interest Repayments	\$ -	\$ -	Developer Interest Repayments	\$ -	\$ -	
3-20	All Other [specify...]:	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -	
3-21		\$ -	\$ -		\$ -	\$ -	
3-22	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 223,209	\$ -	Add lines 3-1 through 3-21 TOTAL EXPENSES	\$ -	\$ -	GRAND TOTAL \$ 223,209
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In) Out	\$ -	\$ -	
3-24	Interfund Transfers Out	\$ -	\$ -	Other [specify...][enter negative for expense]	\$ -	\$ -	
3-25	Other [specify...]:	\$ -	\$ -	Depreciation/Amortization	\$ -	\$ -	
3-26		\$ -	\$ -	Other Financing Sources (Uses) (from line 2-28)	\$ -	\$ -	
3-27		\$ -	\$ -	Capital Outlay (from line 3-14)	\$ -	\$ -	
3-28		\$ -	\$ -	Debt Principal (from line 3-15, 3-18)	\$ -	\$ -	
3-29	(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ -	\$ -	(Line 3-27, plus line 3-28, less line 3-26, less line 3-25, plus line 3-24) TOTAL GAAP RECONCILING ITEMS	\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, less line 3-29	\$ -	\$ -	Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, less line 3-23	\$ -	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	Net Position, January 1 from December 31 prior year report	\$ -	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31 Sum of Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37.	\$ -	\$ -	Net Position, December 31 Sum of Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37.	\$ -	\$ -	

IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

YES

NO

Please use this space to provide any explanations or comments:

4-1	Does the entity have outstanding debt?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain: N/A The District has no debt.		<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain: N/A The District has no debt.		<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)			
		Outstanding at beginning of year*	Issued during year	Retired during year
	General obligation bonds	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -	\$ -
	Developer Advances	\$ -	\$ -	\$ -
	Other (specify):	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -

*must agree to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

YES

NO

4-5	Does the entity have any authorized, but unissued, debt [Section 29-1-605(2) C.R.S.]?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much?	\$ 21,000,000.000	
	Date the debt was authorized:	11/7/2006	
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much?	\$ -	
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding?	\$ -	
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased?		
	What is the original date of the lease?		
	Number of years of lease?		
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	What are the annual lease payments?	\$ -	

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

AMOUNT

TOTAL

Please use this space to provide any explanations or comments:

5-1	YEAR-END Total of ALL Checking and Savings accounts	\$ 81,351	
5-2	Certificates of deposit	\$ -	
	TOTAL CASH DEPOSITS		\$ 81,351
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
		\$ -	
	TOTAL INVESTMENTS		\$ -
	TOTAL CASH AND INVESTMENTS		\$ 81,351

Please answer the following question by marking in the appropriate box

YES

NO

N/A

5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:	
6-1	Does the entity have capitalized assets?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
6-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, MUST explain:	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
<p>The District has no capital assets.</p>					
6-3					
Complete the following Capital & Right-To-Use Assets table for GOVERNMENTAL FUNDS:		Balance - beginning of the year ¹	Additions ²	Deletions	Year-End Balance
Land		\$ -	\$ -	\$ -	\$ -
Buildings		\$ -	\$ -	\$ -	\$ -
Machinery and equipment		\$ -	\$ -	\$ -	\$ -
Furniture and fixtures		\$ -	\$ -	\$ -	\$ -
Infrastructure		\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)		\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets		\$ -	\$ -	\$ -	\$ -
Intangible Assets		\$ -	\$ -	\$ -	\$ -
Other (explain):		\$ -	\$ -	\$ -	\$ -
Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
TOTAL		\$ -	\$ -	\$ -	\$ -
6-4					
Complete the following Capital & Right-To-Use Assets table for PROPRIETARY FUNDS:		Balance - beginning of the year [*]	Additions	Deletions	Year-End Balance
Land		\$ -	\$ -	\$ -	\$ -
Buildings		\$ -	\$ -	\$ -	\$ -
Machinery and equipment		\$ -	\$ -	\$ -	\$ -
Furniture and fixtures		\$ -	\$ -	\$ -	\$ -
Infrastructure		\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)		\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets		\$ -	\$ -	\$ -	\$ -
Intangible Assets		\$ -	\$ -	\$ -	\$ -
Other (explain):		\$ -	\$ -	\$ -	\$ -
Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
TOTAL		\$ -	\$ -	\$ -	\$ -
<p>[*] Must agree to prior year-end balance - Generally capital asset additions should be reported at capital outlay on line 3-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy</p>					

PART 7 - PENSION INFORMATION

* Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:
7-1	Does the entity have an "old hire" firefighters' pension plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7-2	Does the entity have a volunteer firefighters' pension plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	Who administers the plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Indicate the contributions from:				
Tax (property, SO, sales, etc.):		\$	-	
State contribution amount:		\$	-	
Other (gifts, donations, etc.):		\$	-	
TOTAL		\$	-	
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?		\$	-	

PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	N/A	Please use this space to provide any explanations or comments:
8-1	Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8-2	Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
If yes: Please indicate the amount appropriated for each fund separately for the year reported					

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 233,770
	\$ -
	\$ -
	\$ -

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.				

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:					
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		10-4: Pursuant to the District Coordinating Services Agreement dated November 20, 2019, TransPort Metropolitan District No. 1 will provide certain operation, maintenance, and administrative services benefiting TransPort Metropolitan Districts No. 2, 3, and 4 (collectively "Districts"). The Districts will pay the cost of such services through the imposition of ad valorem taxes and transferring such taxes, net of collection fees, to TransPort Metropolitan District No. 1.				
If yes: Date of formation: <div></div>		<input type="checkbox"/>	<input checked="" type="checkbox"/>						
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
If Yes: NEW name <div></div>		<input type="checkbox"/>	<input checked="" type="checkbox"/>						
PRIOR name <div></div>		<input type="checkbox"/>	<input checked="" type="checkbox"/>						
10-3	Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<input type="checkbox"/>						
10-4	Please indicate what services the entity provides: <div></div>	<input type="checkbox"/>	<input type="checkbox"/>						
10-5	Does the entity have an agreement with another government to provide services?	<input checked="" type="checkbox"/>	<input type="checkbox"/>						
If yes: List the name of the other governmental entity and the services provided: <div></div>		<input type="checkbox"/>	<input type="checkbox"/>						
10-6	Does the entity have a certified mill levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>						
If yes: Please provide the number of <u>mills</u> levied for the year reported (do not enter \$ amounts):									
<table border="1"> <tbody> <tr> <td>Bond Redemption mills</td> <td>0.000</td> </tr> <tr> <td>General/Other mills</td> <td>70.000</td> </tr> <tr> <td>Total mills</td> <td>70.000</td> </tr> </tbody> </table>		Bond Redemption mills	0.000	General/Other mills	70.000	Total mills	70.000		
Bond Redemption mills	0.000								
General/Other mills	70.000								
Total mills	70.000								

Please use this space to provide any additional explanations or comments not previously included:

8

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box	YES	NO
12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedures

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as Docusign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

1) Submit the application in hard copy via the US Mail including original signatures.

2) Submit the application electronically via email and either,

a. Include a copy of an adopted resolution that documents formal approval by the Board, or

b. Include electronic signatures obtained through a software program such as Docusign or Echosign in accordance with the requirements noted above.

Below is the certification and approval of the governing body By signing, each individual member is certifying they are a duly elected or appointed officer of the local government. Governing members may be verified. Also by signing, the individual member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$750,000 or less must have an application prepared by an independent accountant with knowledge of governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of <u>ALL</u> members of the governing body below.		A <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below.	
1	<div>Full Name</div> <div>Kelsey Hall</div>	I, Kelsey Hall, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <div>DocuSigned by: Kelsey Hall</div> Date: 2/27/2023 3/6/2023 term Expires: May 2023	My
2	<div>Full Name</div> <div>Nick Hernandez</div>	I, Nick Hernandez, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <div>DocuSigned by: Nick Hernandez</div> Date: 02/27/2025 3/6/2023 term Expires: May 2025	My
3	<div>Full Name</div> <div>William Metcalf</div>	I, William Metcalf, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <div>DocuSigned by: William Metcalf</div> Date: 02/27/2023 3/7/2023 term Expires: May 2023	My
4	<div>Full Name</div>	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____	
5	<div>Full Name</div>	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____	
6	<div>Full Name</div>	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____	
7	<div>Full Name</div>	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____	



CliftonLarsonAllen LLP

8390 East Crescent Pkwy., Suite 300
Greenwood Village, CO 80111

phone 303-779-5710 fax 303-779-0348

CLAconnect.com

Accountant's Compilation Report

Board of Directors
Transport Metropolitan District No. 2
Adams County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Transport Metropolitan District No. 2 as of and for the year ended December 31, 2022, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Transport Metropolitan District No. 2.

Greenwood Village, Colorado
February 24, 2023

**TRANSPORT METROPOLITAN
DISTRICT NO. 3
Adams County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

**TRANSPORT METROPOLITAN DISTRICT NO. 3
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2022**

INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	2
STATEMENT OF ACTIVITIES	3
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	5
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	6
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	7
NOTES TO FINANCIAL STATEMENTS	8
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	21
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	22
OTHER INFORMATION	
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	23
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	24

INDEPENDENT AUDITOR'S REPORT

Board of Directors
TransPort Metropolitan District No. 3
Adams County, Colorado

Opinion

We have audited the financial statements of the governmental activities and each major fund, and the aggregate remaining fund information of TransPort Metropolitan District No. 3, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise TransPort Metropolitan District No. 3's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund, and the aggregate remaining fund information of TransPort Metropolitan District No. 3, as of December 31, 2022, and the respective changes in financial position and, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of TransPort Metropolitan District No. 3 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

TransPort Metropolitan District No. 3's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TransPort Metropolitan District No. 3's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TransPort Metropolitan District No. 3's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TransPort Metropolitan District No. 3's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Management has not presented Management's Discussion and Analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basis financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basis financial statements is not affected by the missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise TransPort Metropolitan District No. 3's basic financial statements. The supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules of Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual and Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual and Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of Debt Service Requirements to Maturity and Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express any opinion or provide any assurance on them.

A handwritten signature in black ink that reads "Watson Coon Ryan, LLC". The script is cursive and fluid.

Watson Coon Ryan, LLC
March 13, 2023
Centennial, Colorado

TRANSPORT METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments	\$ 4,220
Cash and Investments - Restricted	16,068,617
Accounts Receivable - County Treasurer	9
Property Taxes Receivable	1,678
Total Assets	<u>16,074,524</u>
LIABILITIES	
Due to Other Districts	1,938,269
Accrued Interest Payable	341,191
Noncurrent Liabilities:	
Due in More Than One Year	96,275,990
Total Liabilities	<u>98,555,450</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,678
Total Deferred Inflows of Resources	<u>1,678</u>
NET POSITION	
Restricted For:	
Debt Service	13,070,344
Capital Projects	1,064,233
Unrestricted	<u>(96,617,181)</u>
Total Net Position	<u><u>\$ (82,482,604)</u></u>

See accompanying Notes to Financial Statements.

TRANSPORT METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

FUNCTIONS/PROGRAMS	Program Revenues			Net Revenues (Expenses) and Change in Net Position
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:				
Governmental Activities:				
General Government	\$ 52,309,321	\$ -	\$ -	\$ (52,309,321)
Interest and Related Costs on Long-Term Debt	4,727,470	-	-	(4,727,470)
Total Governmental Activities	<u>\$ 57,036,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(57,036,791)</u>
GENERAL REVENUES				
Property Taxes				1,544
Specific Ownership Taxes				122
ARI - Aurora Regional Improvement Tax				31
Net Investment Income				239,460
Total General Revenues				<u>241,157</u>
CHANGE IN NET POSITION				(56,795,634)
Net Position - Beginning of Year				<u>(25,686,970)</u>
NET POSITION - END OF YEAR				<u><u>\$ (82,482,604)</u></u>

See accompanying Notes to Financial Statements.

TRANSPORT METROPOLITAN DISTRICT NO. 3
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 4,220	\$ -	\$ -	\$ 4,220
Cash and Investments - Restricted	-	13,070,337	2,998,280	16,068,617
Accounts Receivable - County Treasurer	2	7	-	9
Property Taxes Receivable	329	1,349	-	1,678
	<u>329</u>	<u>1,349</u>	<u>-</u>	<u>1,678</u>
Total Assets	<u>\$ 4,551</u>	<u>\$ 13,071,693</u>	<u>\$ 2,998,280</u>	<u>\$ 16,074,524</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Due to Other Districts	\$ 4,222	\$ -	\$ 1,934,047	\$ 1,938,269
Total Liabilities	<u>4,222</u>	<u>-</u>	<u>1,934,047</u>	<u>1,938,269</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	329	1,349	-	1,678
Total Deferred Inflows of Resources	<u>329</u>	<u>1,349</u>	<u>-</u>	<u>1,678</u>
FUND BALANCES				
Restricted For:				
Debt Service	-	13,070,344	-	13,070,344
Capital Projects	-	-	1,064,233	1,064,233
Total Fund Balances	<u>-</u>	<u>13,070,344</u>	<u>1,064,233</u>	<u>14,134,577</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,551</u>	<u>\$ 13,071,693</u>	<u>\$ 2,998,280</u>	
Amounts reported for governmental activities in the statement of net position are different because:				
Long-term liabilities, including Developer advances payable and bonds payable are not due and payable in the current period and, therefore, are not reported in the funds.				
Bonds Payable				(96,317,520)
Amortization of Bond Premium				41,530
Accrued Bond Interest Payable				<u>(341,191)</u>
Net Position of Governmental Activities				<u>\$ (82,482,604)</u>

See accompanying Notes to Financial Statements.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 309	\$ 1,235	\$ -	\$ 1,544
Specific Ownership Taxes	25	97	-	122
ARI - Aurora Regional Improvement tax	-	31	-	31
Net Investment Income	-	129,746	109,714	239,460
Total Revenues	<u>334</u>	<u>131,109</u>	<u>109,714</u>	<u>241,157</u>
EXPENDITURES				
Transfer to TransPort MD No. 1	334	-	52,308,987	52,309,321
Bond Interest	-	4,094,288	-	4,094,288
Paying Agent Fees	-	6,000	-	6,000
Total Expenditures	<u>334</u>	<u>4,100,288</u>	<u>52,308,987</u>	<u>56,409,609</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(3,969,179)	(52,199,273)	(56,168,452)
OTHER FINANCING SOURCES (USES)				
Transfers Between Funds	-	6,000	(6,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>6,000</u>	<u>(6,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(3,963,179)	(52,205,273)	(56,168,452)
Fund Balances - Beginning of Year	<u>-</u>	<u>17,033,523</u>	<u>53,269,506</u>	<u>70,303,029</u>
FUND BALANCES - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 13,070,344</u></u>	<u><u>\$ 1,064,233</u></u>	<u><u>\$ 14,134,577</u></u>

See accompanying Notes to Financial Statements.

TRANSPORT METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balances - Governmental Funds	\$ (56,168,452)
--	-----------------

Amounts reported for governmental activities in the statement of activities are different because:

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accretion of 2021 A-2 Bonds	(668,712)
Amortization of Bond Premium	<u>41,530</u>

Change in Net Position of Governmental Activities	<u><u>\$ (56,795,634)</u></u>
---	-------------------------------

**TRANSPORT METROPOLITAN DISTRICT NO. 3
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 309	\$ 309	\$ -
Specific Ownership Taxes	22	25	3
Other Revenue	2,000	-	(2,000)
Net Investment Income	56	-	(56)
Total Revenues	<u>2,387</u>	<u>334</u>	<u>(2,053)</u>
EXPENDITURES			
Current:			
Accounting	-	-	-
Audit	-	-	-
Banking Fees	154	-	154
County Treasurer's Fees	24	-	24
Transfer to TransPort MD No. 1	209	334	(125)
Contingency	2,000	-	2,000
Total Expenditures	<u>2,387</u>	<u>334</u>	<u>2,053</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 DEFINITION OF REPORTING ENTITY

TransPort Metropolitan District No. 3 (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, which is located in the City of Aurora was organized following an election held on November 7, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District, together with TransPort Metropolitan District Nos. 1-2, 4-15 (collectively the Districts) are collectively undertaking the financing and construction of certain public improvements within the boundaries of the Districts. The service plans for the Districts authorize the Districts to enter into certain intergovernmental cost sharing and recovery agreements which govern the relationships between and among the Districts with respect to financing, construction and operation of the public improvements. These services are determined through the Coordinating Services Agreement.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's board of directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's board of directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and public hearing requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its Capital Project Fund annual budget for the year ended December 31, 2022.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Property Taxes

Property taxes are levied by the District's board of directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and, generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the board of directors. The constraint may be removed or changed only through formal action of the board of directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the board of directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 4,220
Cash and Investments - Restricted	16,068,617
Total Cash and Investments	<u>\$ 16,072,837</u>

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 5,576
Investments	16,067,261
Total Cash and Investments	<u>\$ 16,072,837</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2022, the District had cash deposits of \$5,576.

Investments

The District has not adopted a formal investment policy, but it follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the board of directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities of the World Bank
- . Certain international agency securities
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

Morgan Stanley Institutional Liquidity Funds

At December 31, 2022, all of District's funds held in trust accounts at United Missouri Bank were invested in the Morgan Stanley Institutional Liquidity Funds Treasury Portfolio. This portfolio is managed by Morgan Stanley, each share is equal in value to \$1.00, and is valued at Fair Market Value. The fund is AAA rated and invests in a process that seeks to select maturities based on the shape of the money market yield curve and on expectations as to future shifts in the level and shape of the curve, taking into consideration such factors as current short-term interest rates, Federal Reserve policy regarding interest rates, and U.S. economic activity. The average maturity of the underlying securities is 90 days or less.

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Morgan Stanley Institutional Liquidity Funds	Weighted-Average	
(MSILF) Treasury	Under 60 Days	<u>\$ 16,067,261</u>

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2022:

	Balance - December 31, 2021	Additions	Retirements	Balance - December 31, 2022	Due Within One Year
Governmental Activities:					
Bonds Payable					
General Obligation Limited Tax:					
Series 2021A-1	\$ 82,745,000	\$ -	\$ -	\$ 82,745,000	\$ -
Series 2021A-1 Premium	910,798	-	41,530	869,268	-
Series 2021A-2	11,993,010	668,712	-	12,661,722	-
Total	<u>\$ 95,648,808</u>	<u>\$ 668,712</u>	<u>\$ 41,530</u>	<u>\$ 96,275,990</u>	<u>\$ -</u>

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

The details of the District's general obligation bonds outstanding during 2022 are as follows:

General Obligation Limited Tax Bonds, Series 2021A-1 (the 2021A-1 Bonds) and General Obligation Limited Tax Convertible Capital Appreciation Bonds, Series 2021A-2 (the 2021A-2 Bonds, and with the 2021A-1 Bonds, the Bonds)

Bond Proceeds

The District issued the Bonds on February 9, 2021, in the par amounts of \$82,745,000 for the 2021A-1 Bonds and \$11,476,725 (Original Principal Amount) and \$14,900,000 (Value at end of Accretion Period) for the 2021A-2 Bonds.

Proceeds from the sale of the Bonds are used to: (i) finance and/or reimburse the costs of acquisition, construction, and installation of certain public improvements; (ii) fund capitalized interest on the 2021A-1 Bonds; (iii) fund an initial deposit to the Surplus Fund; and (iv) pay other costs of issuance of the Bonds.

2021A-1 Bonds

The 2021A-1 Bonds bear interest at rates ranging from 4.125% to 5.000% (yield 4.870%), payable semi-annually on June 1 and December 1, beginning on June 1, 2021. The 2021A-1 Bonds were issued as three term bonds that have annual mandatory sinking fund principal payments due annually on December 1, beginning on December 1, 2028. The 2021A-1 Bonds mature on December 1, 2051.

To the extent principal of any 2021A-1 Bond is not paid when due, such principal shall remain outstanding until paid and shall continue to bear interest at the rate then borne by the 2021A-1 Bond. To the extent interest on any 2021A-1 Bond is not paid when due, such interest shall compound semi-annually on each interest payment date at the rate borne by the 2021A-1 Bond.

2021A-2 Bonds

The 2021A-2 Bonds were issued as capital accretion bonds that automatically convert to current interest bonds on December 1, 2025. Prior to conversion to current interest bonds, the 2021A-2 Bonds do not pay current interest, rather they accrete in value at an annual yield equal to 5.500%. The accreted amount compounds semi-annually on each June 1 and December 1, to but not including December 1, 2025. Such accreted amount, together with the original principal amount of the 2021A-2 Bonds, bears interest at the interest rate borne by the 2021A-2 Bonds upon conversion to current interest bonds.

The accreted principal balance at conversion on December 1, 2025, is expected to be \$14,900,000. Upon conversion to current interest bonds, the 2021A-2 Bonds will bear interest at a rate of 5.500%, payable semi-annually on June 1 and December 1, commencing on June 1, 2026. Annual principal payments are due on December 1 of each year beginning December 1, 2028. The 2021A-2 Bonds mature on December 1, 2051.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Bond Proceeds (Continued)

2021A-2 Bonds (Continued)

On and after conversion to current interest bonds, to the extent principal of any 2021A-2 Bond is not paid when due, such principal shall remain outstanding until paid, and shall continue to bear interest at the rate then borne by the 2021A-2 Bond. To the extent interest on any 2021A-2 Bond is not paid when due, such unpaid interest shall compound semi-annually on each interest payment date at the rate borne by the 2021A-2 Bond.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on March 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
March 1, 2026, to February 28, 2027	3.00%
March 1, 2027, to February 29, 2028	2.00
March 1, 2028, to February 28, 2029	1.00
March 1, 2029, and Thereafter	0.00

Mandatory Extraordinary Redemption

The Bonds are subject to mandatory extraordinary redemption in integral multiples of \$1,000 on the January 15 immediately succeeding the Partial Surplus Fund Release Date, if any, solely from and to the extent of moneys on deposit in the Surplus Fund in excess of the amount of the initial deposit made thereto, at a redemption price equal to the principal amount thereof to be redeemed, with no redemption premium, plus interest accrued to the redemption date. The Partial Surplus Release Date means (i) the first date on which the Debt to Assessed Ratio is 50% or less, and no amounts of principal or interest on the Bonds are due but unpaid; and (ii) for each year following the first Partial Surplus Fund Release Date, the first date on which no amounts of principal or interest on the Bonds are due but unpaid and the Surplus Fund is funded in the amount of the Maximum Surplus Amount. On the Partial Surplus Fund Release Date, the Trustee shall determine the amount, if any, on deposit in the Surplus Fund in excess of the amount of the initial deposit made thereto and, without any further direction required from the District, shall take such actions as may be necessary to redeem as many Bonds as can be redeemed with such moneys on the immediately succeeding January 15th, subject to the following: (i) Bonds to be redeemed shall be selected first from any Outstanding Series 2021A-2 Bonds, and, only after all Outstanding Series 2021A-2 Bonds have been redeemed, then from any outstanding Series 2021A-1 Bonds; and (ii) within each series, Bonds shall be selected for redemption in inverse order of maturity.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Mandatory Extraordinary Redemption (Continued)

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue which means:

- (a) the Required Mill Levy;
- (b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Required Mill Levy; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

Required Mill Levy

The District has covenanted to impose a Required Mill Levy upon all taxable property of the District each year in an amount sufficient to pay the Bonds when due, but (i) not in excess of 50 mills less the number of mills necessary to pay any unlimited mill levy debt (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2004); and (ii) not less than 40 mills (subject to adjustment) less the number of mills necessary to pay any unlimited mill levy debt, or such lesser mill levy which will pay the Bonds when due and will fund the Surplus Fund up to the Maximum Surplus Amount.

Additional Security

The 2021A-1 Bonds are additionally secured by capitalized interest which was funded from proceeds of the 2021A-1 Bonds in the amount of \$12,282,863. In addition, the Bonds are secured by the Surplus Fund which was partially funded from proceeds of the Bonds in the amount of \$8,070,000.

Pledged Revenue that is not needed to pay debt service on the Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount. Prior to the Partial Surplus Fund Release Date, the Maximum Surplus Amount is \$16,549,000 and after the Partial Surplus Fund Release Date, the Maximum Surplus Amount is \$8,070,000.

As of December 31, 2022, the balance in the capitalized interest account is \$4,929,553 and the balance in the Surplus Fund is \$8,139,428.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Service

The outstanding principal and interest of the 2021A-1 Bonds are due as follows:

	Principal	Interest	Total
2023	\$ -	\$ 4,094,288	\$ 4,094,288
2024	-	4,094,288	4,094,288
2025	-	4,094,288	4,094,288
2026	-	4,094,288	4,094,288
2027	-	4,094,287	4,094,287
2028-2032	6,815,000	20,055,636	26,870,636
2033-2037	11,780,000	17,890,750	29,670,750
2038-2042	16,765,000	14,472,750	31,237,750
2043-2047	23,080,000	9,682,000	32,762,000
2048-2051	24,305,000	3,125,250	27,430,250
Total	<u>\$ 82,745,000</u>	<u>\$ 85,697,825</u>	<u>\$ 168,442,825</u>

The outstanding principal and interest of the 2021A-2 Bonds are due as follows:

	Principal	Interest	Total
2023	\$ -	\$ -	\$ -
2024	-	-	-
2025	-	-	-
2026	-	819,500	819,500
2027	-	819,500	819,500
2028-2032	1,080,000	4,016,100	5,096,100
2033-2037	2,040,000	3,593,975	5,633,975
2038-2042	2,990,000	2,934,525	5,924,525
2043-2047	4,230,000	1,983,575	6,213,575
2048-2051	4,560,000	646,800	5,206,800
Total	<u>\$ 14,900,000</u>	<u>\$ 14,813,975</u>	<u>\$ 29,713,975</u>

Debt Authorization

As of December 31, 2022, the District had remaining voted debt authorization of approximately \$20,905,778,275.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to the District.

NOTE 5 NET POSITION

The District has net position consisting of two components: restricted and unrestricted.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 NET POSITION (CONTINUED)

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022 as follows:

Restricted Net Position:	
Debt Service	\$ 13,070,344
Capital Projects	<u>1,064,233</u>
Total Restricted Net Position	<u><u>\$ 14,134,577</u></u>

The District has a deficit in unrestricted net position. The deficit was a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 6 INTERFUND TRANSFERS

The transfer from the Capital Projects Fund to the Debt Service Fund represents the payment of Paying Agent Fees for the Debt Service Reserve Fund, which funds will be transferred back into the Capital Project Funds at a later time.

NOTE 7 AGREEMENTS

District Coordinating Services Agreement (District Nos. 1-4)

Effective as of February 5, 2020, the District and TransPort Metropolitan District Nos. 1-2 & 4 (collectively, the Coordinating Districts) entered into a District Coordinating Services Agreement (the Coordinating Services Agreement) for the purpose of establishing the respective obligations of the Coordinating Districts with respect to the coordination, oversight, construction and funding of certain administrative costs of the Coordinating Districts, and costs related to the continued operation and maintenance of certain of the public improvements within such Coordinating Districts. Pursuant to the Coordinating Services Agreement, the District and TransPort Metropolitan District Nos. 2 & 4 were designated as the "financing districts". TransPort Metropolitan District No. 1 was designated as the "coordinating district".

NOTE 8 INTERGOVERNMENTAL AGREEMENTS

Service Plan Intergovernmental Agreement with the City of Aurora

The Service Plan for the District includes authorization for the District to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements. The District shall impose the ARI Mill Levy. Effective in 2022, the District imposed a mill levy of one (1) mill, dedicated and pledged to the City for this purpose.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9 RELATED PARTIES

The property within the District is being developed by Transport Colorado, LLC, (Developer). During 2022, all of the members of the board of directors were officers or employees of, or otherwise associated with the Developer or a related entity and may have conflicts of interest in matters involving the District.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 11 TAX, SPENDING, AND DEBT LIMITATION

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. As of December 31, 2022, the District has not provided for an emergency reserve fund equal to at least 3% of the fiscal year spending, as defined under TABOR, because net tax revenue is transferred to District No. 1, which provides for the required reserve amount.

TRANSPORT METROPOLITAN DISTRICT NO. 3
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 11 TAX, SPENDING, AND DEBT LIMITATION (CONTINUED)

On November 7, 2006, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

**TRANSPORT METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1,235	\$ 1,235	\$ -
ARI Aurora Regional Imp Tax	31	31	-
Specific Ownership Tax	86	97	11
Interest Income	1,600	129,746	128,146
Total Revenues	2,952	131,109	128,157
EXPENDITURES			
Capital Outlay:			
Bond Interest	4,094,288	4,094,288	-
Paying Agent Fees	6,000	6,000	-
Total Expenditures	4,100,288	4,100,288	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,097,336)	(3,969,179)	128,157
OTHER FINANCING SOURCES (USES)			
Transfers from Capital Projects Fund	-	6,000	6,000
Total Other Financing Sources (Uses)	-	6,000	6,000
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(4,097,336)	(3,963,179)	134,157
Fund Balance - Beginning of Year	17,027,356	17,033,523	6,167
FUND BALANCE - END OF YEAR	<u>\$ 12,930,020</u>	<u>\$ 13,070,344</u>	<u>\$ 140,324</u>

**TRANSPORT METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Net Investment Income	\$ 5,000	\$ 109,714	\$ 109,714	\$ -
Total Revenues	5,000	109,714	109,714	-
EXPENDITURES				
Transfer to District No. 1	51,530,831	52,308,987	52,308,987	-
Total Expenditures	51,530,831	52,308,987	52,308,987	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(51,525,831)	(52,199,273)	(52,199,273)	-
OTHER FINANCING SOURCES (USES)				
Transfers to Debt Service Fund	-	(6,000)	(6,000)	-
Total Other Financing Sources (Uses)	-	(6,000)	(6,000)	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(51,525,831)	(52,205,273)	(52,205,273)	-
Fund Balance - Beginning of Year	51,525,831	53,269,506	53,269,506	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 1,064,233</u>	<u>\$ 1,064,233</u>	<u>\$ -</u>

TRANSPORT METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2022

Year Ending December 31,	\$82,745,000 General Obligation Limited Tax Bonds Series 2021A-1		\$14,900,000 General Obligation Convertible Capital Appreciation Bonds Series 2021A-2		Annual Total
	Principal	Interest	Principal	Interest	
2023	\$ -	\$ 4,094,288	\$ -	\$ -	\$ 4,094,288
2024	-	4,094,288	-	-	4,094,288
2025	-	4,094,288	-	-	4,094,288
2026	-	4,094,288	-	819,500	4,913,788
2027	-	4,094,287	-	819,500	4,913,787
2028	440,000	4,094,287	40,000	819,500	5,393,787
2029	1,100,000	4,076,137	165,000	817,300	6,158,437
2030	1,650,000	4,030,762	270,000	808,225	6,758,987
2031	1,720,000	3,962,700	285,000	793,375	6,761,075
2032	1,905,000	3,891,750	320,000	777,700	6,894,450
2033	1,995,000	3,796,500	340,000	760,100	6,891,600
2034	2,215,000	3,696,750	380,000	741,400	7,033,150
2035	2,325,000	3,586,000	405,000	720,500	7,036,500
2036	2,560,000	3,469,750	445,000	698,225	7,172,975
2037	2,685,000	3,341,750	470,000	673,750	7,170,500
2038	2,940,000	3,207,500	520,000	647,900	7,315,400
2039	3,090,000	3,060,500	545,000	619,300	7,314,800
2040	3,365,000	2,906,000	600,000	589,325	7,460,325
2041	3,535,000	2,737,750	630,000	556,325	7,459,075
2042	3,835,000	2,561,000	695,000	521,675	7,612,675
2043	4,030,000	2,369,250	730,000	483,450	7,612,700
2044	4,360,000	2,167,750	795,000	443,300	7,766,050
2045	4,575,000	1,949,750	835,000	399,575	7,759,325
2046	4,935,000	1,721,000	910,000	353,650	7,919,650
2047	5,180,000	1,474,250	960,000	303,600	7,917,850
2048	5,575,000	1,215,250	1,035,000	250,800	8,076,050
2049	5,855,000	936,500	1,095,000	193,875	8,080,375
2050	6,280,000	643,750	1,185,000	133,650	8,242,400
2051	6,595,000	329,750	1,245,000	68,475	8,238,225
Total	<u>\$ 82,745,000</u>	<u>\$ 85,697,825</u>	<u>\$ 14,900,000</u>	<u>\$ 14,813,975</u>	<u>\$ 198,156,800</u>

TRANSPORT METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022

Year Ending December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Mills Levied for			Total Property Taxes		Percent Collected to Levied
		General	Debt Service	ARI	Levied	Collected	
2020	\$ 52,650	50.000	0.000	0.000	\$ 2,819	\$ 2,632	93.37 %
2021	59,780	50.000	0.000	0.000	2,989	1,544	51.66
2022	30,880	10.000	40.000	1.000	1,235	1,235	100.00
Estimated for the Year Ending December 31,							
2023	\$ 32,910	10.000	40.000	1.000	\$ 1,349		

NOTE: Property taxes shown as collected in any one year include collection of delinquent property taxes or abatements of property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessment.

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Transport Metropolitan District No. 4
8390 E Crescent Parkway
Suite 300
Greenwood Village, CO 80111
Jason Carroll
303-779-5710
Jason.Carroll@claconnect.com

For the Year Ended
12/31/22
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED

Jason Carroll
Accountant for the District
CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111
303-779-5710
2/24/2023

PREPARER (SIGNATURE REQUIRED)

See accompanying Accountant's Compilation Report.		
Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 16,700	
2-2	Specific ownership	\$ 1,146	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 17,846	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify): Transfer to Transport Metropolitan District No.1	\$ 17,846	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 17,846	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

Yes No

4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A. The District has no debt</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A. The District has no debt</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)		
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	TOTAL	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

Yes No

4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ 21,000,000,000.00</div>		
	Date the debt was authorized: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">11/7/2006</div>		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div>		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div>		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div>		
	What is the original date of the lease? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div>		
	Number of years of lease? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div>		
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	What are the annual lease payments? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div>		

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

Amount Total

5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ 6,870	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ 6,870
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ 6,870

Please answer the following questions by marking in the appropriate boxes

Yes No N/A

5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes

No

6-1 Does the entity have capital assets?

☐☒

6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain:

☐☒

N/A. The District has no capital assets

6-3

Complete the following capital & right-to-use assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

7-1 Does the entity have an "old hire" firefighters' pension plan?

☐☒

7-2 Does the entity have a volunteer firefighters' pension plan?

☐☒

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):

\$ -

State contribution amount:

\$ -

Other (gifts, donations, etc.):

\$ -

TOTAL

\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?

\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

N/A

8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?

☒☐☐

8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:

☒☐☐

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 19,036

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? <small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes: Date of formation: <input type="text"/>			
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes: Please list the NEW name & PRIOR name: <input type="text"/>			
10-3	Is the entity a metropolitan district? Please indicate what services the entity provides: <small>Street, Parks & Recreation, Water Sanitation, Transportation, Mosquito Control, Fire Protection, Television Relay & Translation</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-4	Does the entity have an agreement with another government to provide services? If yes: List the name of the other governmental entity and the services provided: <small>See below</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the If yes: Date Filed: <input type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-6	Does the entity have a certified Mill Levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes: Please provide the following <u>mills</u> levied for the year reported (do not report \$ amounts):			
		Bond Redemption mills	<input type="text" value="-"/>
		General/Other mills	<input type="text" value="50.000"/>
		Total mills	<input type="text" value="50.000"/>

Please use this space to provide any explanations or comments:

10-4: Pursuant to the District Coordinating Services Agreement dated November 20, 2019, TransPort Metropolitan District No. 1 will provide certain operation, maintenance and administrative services benefiting TransPort Metropolitan Districts Nos. 2, 3 and 4 (collectively "Districts"). The Districts will pay the cost of such services through the imposition of ad valorem taxes and transferring such taxes, net of collection fees, to TransPort Metropolitan District No. 1.

PART 11 - GOVERNING BODY APPROVAL			
Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below.		A <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below.
Board Member 1	Kelsey Hall	<p>I, Kelsey Hall , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed <u>Kelsey Hall</u></p> <p>Date: 2/27/23 <u>3/6/2023</u></p> <p>My term Expires: May 2023</p>
Board Member 2	Nick Hernandez	<p>I, Nick Hernandez, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____</p> <p>Date: 2/27/23</p> <p>My term Expires: May 2025</p>
Board Member 3	William Metcalf	<p>I, William Metcalf, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed <u>William Metcalf</u></p> <p>Date: 2/27/23 <u>3/7/2023</u></p> <p>My term Expires: May 2023</p>
Board Member 4		<p>I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____</p> <p>Date: _____</p> <p>My term Expires: _____</p>
Board Member 5		<p>I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____</p> <p>Date: _____</p> <p>My term Expires: _____</p>
Board Member 6		<p>I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____</p> <p>Date: _____</p> <p>My term Expires: _____</p>
Board Member 7		<p>I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.</p> <p>Signed _____</p> <p>Date: _____</p> <p>My term Expires: _____</p>



CliftonLarsonAllen LLP

8390 East Crescent Pkwy., Suite 300
Greenwood Village, CO 80111

phone 303-779-5710 fax 303-779-0348

CLAAconnect.com

Accountant's Compilation Report

Board of Directors
Transport Metropolitan District No. 4
Adams County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Transport Metropolitan District No. 4 as of and for the year ended December 31, 2022, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Transport Metropolitan District No. 4.

Greenwood Village, Colorado
February 24, 2023

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Transport Metropolitan District No. 5
8390 E Crescent Parkway
Suite 300
Greenwood Village, CO 80111
Jason Carroll
303-779-5710
Jason.Carroll@claconnect.com

For the Year Ended
12/31/22
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED

Jason Carroll
Accountant for the District
CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111
303-779-5710
2/24/2023

PREPARER (SIGNATURE REQUIRED)

See accompanying Accountant's Compilation Report.

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ -	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify): Transfer to Transport Metropolitan District No.1	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ -	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

Yes No

4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A. The District has no debt</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A. The District has no debt</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)		
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	TOTAL	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

Yes No

4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ 21,000,000,000.00</div>		
	Date the debt was authorized: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">11/7/2006</div>		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div>		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div>		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div>		
	What is the original date of the lease? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div>		
	Number of years of lease? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div>		
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	What are the annual lease payments? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div>		

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

Amount Total

5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ -
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ -

Please answer the following questions by marking in the appropriate boxes

Yes No N/A

5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes

No

6-1 Does the entity have capital assets?

☐☒

6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain:

☐☒

N/A. The District has no capital assets

6-3

Complete the following capital & right-to-use assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

7-1 Does the entity have an "old hire" firefighters' pension plan?

☐☒

7-2 Does the entity have a volunteer firefighters' pension plan?

☐☒

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):

\$ -

State contribution amount:

\$ -

Other (gifts, donations, etc.):

\$ -

TOTAL

\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?

\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

N/A

8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?

☒☐☐

8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:

☒☐☐

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 10,000

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? <small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes: Date of formation: <input type="text"/>			
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes: Please list the NEW name & PRIOR name: <input type="text"/>			
10-3	Is the entity a metropolitan district? Please indicate what services the entity provides: <small>Street, Parks & Recreation, Water Sanitation, Transportation, Mosquito Control, Fire Protection, Television Relay & Translation</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-4	Does the entity have an agreement with another government to provide services? If yes: List the name of the other governmental entity and the services provided: <small>See below</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the If yes: Date Filed: <input type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-6	Does the entity have a certified Mill Levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes: Please provide the following mills levied for the year reported (do not report \$ amounts):			
		Bond Redemption mills	<input type="text" value="-"/>
		General/Other mills	<input type="text" value="50.000"/>
		Total mills	<input type="text" value="50.000"/>

Please use this space to provide any explanations or comments:

10-4: Pursuant to the District Coordinating Services Agreement dated November 20, 2019, TransPort Metropolitan District No. 1 will provide certain operation, maintenance and administrative services benefiting TransPort Metropolitan Districts Nos. 2, 3 and 4 (collectively "Districts"). The Districts will pay the cost of such services through the imposition of ad valorem taxes and transferring such taxes, net of collection fees, to TransPort Metropolitan District No. 1.

PART 11 - GOVERNING BODY APPROVAL			
Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure




Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below.		A <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below.
Board Member 1	Print Board Member's Name Kelsey Hall	I, Kelsey Hall , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: 2/27/23 3/6/2023 My term Expires: May 2023
Board Member 2	Print Board Member's Name Nick Hernandez	I, Nick Hernandez, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: 2/27/23 3/6/2023 My term Expires: May 2025
Board Member 3	Print Board Member's Name William Metcalf	I, William Metcalf, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: 2/27/23 3/6/2023 My term Expires: May 2023
Board Member 4	Print Board Member's Name	I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Member's Name	I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Member's Name	I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen LLP

8390 East Crescent Pkwy., Suite 300
Greenwood Village, CO 80111

phone 303-779-5710 fax 303-779-0348

CLAAconnect.com

Accountant's Compilation Report

Board of Directors
Transport Metropolitan District No. 5
Adams County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Transport Metropolitan District No. 5 as of and for the year ended December 31, 2022, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Transport Metropolitan District No. 5.

Greenwood Village, Colorado
February 24, 2023