

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

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

**CCP METROPOLITAN DISTRICT NO. 3
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YEAR ENDED DECEMBER 31, 2022**

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Independent Auditor's Report

To the Board of Directors
CCP Metropolitan District No. 3

Opinions

We have audited the accompanying financial statements of the governmental activities and the major funds of CCP Metropolitan District No. 3 (the District), as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of CCP Metropolitan District No. 3, as of December 31, 2022, and the respective changes in financial position, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 CCP Metropolitan District No. 3 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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

Management is responsible for the preparation and fair presentation of these 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 CCP 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 CCP 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 CCP Metropolitan District No. 3's ability to continue as a going concern for a reasonable period of time.
- 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.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic 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 basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise CCP Metropolitan District No. 3's basic financial statements. The supplementary information section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information as listed in the table of contents 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Haysie & Company

Littleton, Colorado

June 26, 2023

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities
ASSETS	
Cash and Investments	\$ 709,651
Cash and Investments - Restricted	844,254
Receivable from County Treasurer	5,314
Due from CCP MD No. 1	875
Property Taxes Receivable	6,803
Prepaid Expense	3,456
Capital Assets, Net	5,691,810
Total Assets	7,262,163
LIABILITIES	
Accounts Payable	29,763
Accrued Interest Payable	40,989
Noncurrent Liabilities:	
Due Within One Year	411,500
Due in More Than One Year	14,129,500
Total Liabilities	14,611,752
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	6,803
Total Deferred Inflows of Resources	6,803
NET POSITION	
Restricted for:	
Emergency Reserves	7,400
Debt Service	346,088
Unrestricted	(7,709,880)
Total Net Position	\$ (7,356,392)

See accompanying Notes to Basic Financial Statements.

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

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 411,465	\$ -	\$ 54,704	\$ -	\$ (356,761)
Interest and Related Costs on Long-Term Debt	512,010	-	239,323	-	(272,687)
Total Governmental Activities	\$ 923,475	\$ -	\$ 294,027	\$ -	(629,448)
GENERAL REVENUES					
Property Taxes					888,272
Specific Ownership Taxes					65,642
Net Investment Income					21,941
Total General Revenues					975,855
CHANGE IN NET POSITION					346,407
Net Position - Beginning of Year					(7,702,799)
NET POSITION - END OF YEAR					\$ (7,356,392)

See accompanying Notes to Basic Financial Statements.

**CCP METROPOLITAN DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 709,651	\$ -	\$ 709,651
Cash and Investments - Restricted	7,400	836,854	844,254
Receivable from County Treasurer	988	4,326	5,314
Due from CCP MD No. 1	163	712	875
Property Taxes Receivable	1,266	5,537	6,803
Prepaid Insurance	3,456	-	3,456
	<u>\$ 722,924</u>	<u>\$ 847,429</u>	<u>\$ 1,570,353</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 29,763	\$ -	\$ 29,763
Total Liabilities	29,763	-	29,763
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	1,266	5,537	6,803
Total Deferred Inflows of Resources	1,266	5,537	6,803
FUND BALANCES			
Nonspendable	3,456	-	3,456
Restricted for:			
Emergency Reserves	7,400	-	7,400
Debt Service	-	841,892	841,892
Assigned	60,004	-	60,004
Unassigned	621,035	-	621,035
Total Fund Balances	<u>691,895</u>	<u>841,892</u>	<u>1,533,787</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 722,924</u>	<u>\$ 847,429</u>	

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

Capital assets are reported as assets on the Statement of Net Position but are recorded as expenditures in the funds.

Capital Assets, Net 5,691,810

Long-term liabilities, including debt payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Loan Payable (14,541,000)

Developer Advances Payable -

Accrued Interest on Developer Advances -

Accrued Interest Payable (40,989)

Net Position of Governmental Activities \$ (7,356,392)

See accompanying Notes to Basic Financial Statements.

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

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	\$ 1,449	\$ 6,339	\$ 7,788
Property Taxes DURA	163,795	716,689	880,484
Intergovernmental Revenue	54,704	239,323	294,027
Specific Ownership Taxes	12,212	53,430	65,642
Net Investment Income	12,353	9,588	21,941
Total Revenues	<u>244,513</u>	<u>1,025,369</u>	<u>1,269,882</u>
EXPENDITURES			
Current:			
Accounting	35,002	-	35,002
Auditing	7,600	-	7,600
County Treasurer's Fees	19	82	101
Design Review Committee	3,000	-	3,000
District Management	22,893	-	22,893
Dues and Membership	6,844	-	6,844
Election Expense	3,362	-	3,362
Electricity - Lighting/Irrigation/Signage	1,568	-	1,568
Insurance and Bonds	8,335	-	8,335
Landscaping	56,148	-	56,148
Legal	22,547	-	22,547
Miscellaneous	183	-	183
Snow Removal	9,970	-	9,970
Storm Drainage Maintenance	5,905	-	5,905
Water/Sewer	21,041	-	21,041
2018 Loan Interest	-	414,960	414,960
2020 Loan Interest	-	95,081	95,081
2018 Loan Principal	-	352,000	352,000
Total Expenditures	<u>204,417</u>	<u>862,123</u>	<u>1,066,540</u>
NET CHANGE IN FUND BALANCES	40,096	163,246	203,342
Fund Balances - Beginning of Year	<u>651,799</u>	<u>678,646</u>	<u>1,330,445</u>
FUND BALANCES - END OF YEAR	<u>\$ 691,895</u>	<u>\$ 841,892</u>	<u>\$ 1,533,787</u>

See accompanying Notes to Basic Financial Statements.

**CCP 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 \$ 203,342

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.

Depreciation (209,966)

Long-term debt (e.g., bonds, Developer advances) 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 premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:

Loan Principal Payment 352,000

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.

Accrued Interest on Loan - Change in Liability 1,031

Change in Net Position of Governmental Activities \$ 346,407

**CCP 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	\$ 1,225	\$ 1,449	\$ 224
Property Taxes DURA	163,895	163,795	(100)
Specific Ownership Taxes	11,733	12,212	479
Intergovernmental Revenue	55,283	54,704	(579)
Net Investment Income	600	12,353	11,753
Total Revenues	<u>232,736</u>	<u>244,513</u>	<u>11,777</u>
EXPENDITURES			
Current:			
Accounting	45,000	35,002	9,998
Auditing	7,750	7,600	150
Contingency	7,229	-	7,229
County Treasurer's Fees	18	19	(1)
Design Review Committee	3,000	3,000	-
Detention Pond Maintenance	20,000	-	20,000
District Management	30,000	22,893	7,107
Dues and Membership	8,000	6,844	1,156
Electricity - Lighting/Irrigation/Signage	2,500	1,568	932
Environmental Compliance	15,000	-	15,000
Election Expense	2,500	3,362	(862)
Insurance and Bonds	10,000	8,335	1,665
Landscaping	75,000	56,148	18,852
Legal	22,000	22,547	(547)
Lighting Maintenance/Inspection	500	-	500
Miscellaneous	1,000	183	817
Plant Replacement	10,000	-	10,000
Snow Removal	15,000	9,970	5,030
Storm Drainage Maintenance	500	5,905	(5,405)
Water/Sewer	25,000	21,041	3,959
Total Expenditures	<u>299,997</u>	<u>204,417</u>	<u>95,580</u>
NET CHANGE IN FUND BALANCE	(67,261)	40,096	107,357
Fund Balance - Beginning of Year	<u>622,745</u>	<u>651,799</u>	<u>29,054</u>
FUND BALANCE - END OF YEAR	<u>\$ 555,484</u>	<u>\$ 691,895</u>	<u>\$ 136,411</u>

See accompanying Notes to Basic Financial Statements.

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

NOTE 1 DEFINITION OF REPORTING ENTITY

CCP Metropolitan District No. 3, formerly known as GCC Metropolitan District No. 3, (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by order and decree of the District Court for Adams County, Colorado recorded on January 22, 2015, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Board of County Commissioners of Adams County on July 22, 2014. The District's service area is located within Adams and Denver Counties, Colorado.

The District was organized in conjunction with CCP Metropolitan District Nos. 1, 2, and 4 (collectively with the District, the Districts). The Districts were established to manage, implement and coordinate the financing, acquisition, construction, completion, and operation and maintenance of all public improvements and services within the Districts' service area, including, without limitation, streets, traffic and safety, water, sanitary sewer, storm drainage, transportation, mosquito control, park and recreation facilities, and covenant enforcement.

The Districts were organized as GCC Metropolitan District Nos. 1-4 and changed their names to CCP Metropolitan District Nos. 1-4, effective March 31, 2016, pursuant to Orders for Name Change issued by Adams County District Court and Denver County District Court. District No. 2 and District No. 4 dissolved effective September 17, 2021.

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 financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity, including the other Districts.

The District has no employees, and contracts for all of its management and professional services.

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.

**CCP METROPOLITAN DISTRICT NO. 3
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 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.

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 instead as general revenues.

Separate financial statements are provided for 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 government 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, specific ownership taxes, and facility fees. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is 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.

**CCP METROPOLITAN DISTRICT NO. 3
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 publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

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 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 30 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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows 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 property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns 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 investment in capital assets.

CCP METROPOLITAN DISTRICT NO. 3
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.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives of 20 to 40 years.

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.

Fund 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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity (Continued)

Fund Balance (Continued)

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.

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	\$ 709,651
Cash and Investments - Restricted	844,254
Total Cash and Investments	\$ 1,553,905

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

Deposits with Financial Institutions	\$ 862,886
Investments	691,019
Total Cash and Investments	\$ 1,553,905

Deposits with Financial Institutions

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 a carrying balance of \$862,886.

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The District has not adopted a formal investment policy; however, the District 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.

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, and securities of the World Bank
- . 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 and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

Fair Value Measurement and Application

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series), money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee), CSAFE (which are recorded at amortized cost), and COLOTRUST (which are recorded at net asset value).

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurement and Application (Continued)

As of December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 691,019

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAAMmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

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

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2022 follows:

	Balance - December 31, 2021	Increases	Decreases	Balance - December 31, 2022
Capital Assets, Being Depreciated:				
Streets	\$ 2,855,281	\$ -	\$ -	\$ 2,855,281
Stormwater	3,029,097	-	-	3,029,097
Parks and Recreation	752,278	-	-	752,278
Total Capital Assets, Being Depreciated	6,636,656	-	-	6,636,656
Less Accumulated Depreciation For:				
Streets	249,837	71,382	-	321,219
Stormwater	353,394	100,970	-	454,364
Parks and Recreation	131,649	37,614	-	169,263
Total Accumulated Depreciation	734,880	209,966	-	944,846
Capital Assets, Net	<u>\$ 5,901,776</u>	<u>\$ 209,966</u>	<u>\$ -</u>	<u>\$ 5,691,810</u>

Depreciation expense was charged to the General Government function of the District.

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:					
Notes from Direct Borrowing and Direct Payments	\$ 14,893,000	\$ -	\$ 352,000	\$ 14,541,000	\$ 411,500
Total Long-Term Obligations	<u>\$ 14,893,000</u>	<u>\$ -</u>	<u>\$ 352,000</u>	<u>\$ 14,541,000</u>	<u>\$ 411,500</u>

The details of the District's long-term obligations are as follows:

2018 Compass Loan

The District executed a promissory note evidencing the indebtedness of the Loan Agreement between Compass Mortgage Corporation (the Lender) and the District dated March 28, 2018 (the Original Loan) in a maximum aggregate principal amount up to \$12,500,000. The Lender will advance funds to the District periodically, as requested by the District, from the date of closing on the Original Loan through and including March 28, 2021.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2018 Compass Loan (Continued)

The Initial Funded Amount was \$9,600,000, the proceeds of which were used to: (i) reimburse the Developer for a portion of the funds advanced for the costs of capital infrastructure improvements; (ii) provide capitalized interest; (iii) provide a Reserve Fund; and (iv) pay costs of issuance of the Loan.

The Initial Funded Amount bears interest at a Fixed Rate of 3.55%. At the District's option, to be exercised in each Advance Request Certificate, each Advance may bear interest at either a Fixed Rate or the Variable Rate. If elected by the District, the Fixed Rate applicable to any Advance Amount shall be determined by the Lender and agreed to by the District on the applicable Advance Date.

During 2019 subsequent Advances of \$902,871 and \$1,997,129 were made on March 7, 2019 and September 27, 2019, respectively. The March 7, 2019 subsequent Advance bears interest at a Fixed Rate of 3.72% and the September 27, 2019 subsequent Advance bears interest at a Fixed Rate of 2.98%. The proceeds of the subsequent Advances total \$2,900,000 and were used in the same manner as the Initial Funded Amount.

On March 2, 2020, the District executed the First Amendment to the Loan Agreement with the Lender (the First Amendment", and together with the Original Loan, the Loan). The First Amendment increased the maximum principal of the Original Loan by making an additional advance of \$3,095,000. The Additional Advance Amount bears interest at a Fixed Rate of 3.03% and will be used in the same manner as the Initial Funded Amount. A new Promissory Note was issued at the time of the incurrence of the Additional Advance in the aggregate principal amount of \$15,595,000.

Variable Rate means a rate of interest which varies periodically and is not fixed, which shall be a rate equal to either (i) the sum of 1.40% plus 79.00% of London Interbank Offered Rate (LIBOR), so long as LIBOR is the applicable Index, (ii) the sum of 1.40% plus 79.00% of the index that is the replacement for LIBOR, if such replacement index is the applicable Index, or (iii) the sum of 1.52% plus 79.00% of the Federal Funds Rate if the Federal Funds Rate is the applicable index. The applicable Variable Rate shall be initially calculated as of (x) each Advance Date with respect to an Advance that will be bearing interest at the Variable Rate and (y) the Maturity Date with respect to the Post-Maturity Default Period, as applicable, and resetting on each Interest Reset Date, as described in the Loan Agreement.

Interest on the Loan is payable semi-annually on June 1 and December 1 of each year, beginning on June 1, 2018. All interest is calculated on the basis of a 360-day year and actual number of days elapsed in the applicable period. Interest not paid when due shall remain due and owing but shall not compound or bear additional interest.

Annual principal payments are due on December 1 of each year, beginning on December 1, 2019 with final maturity on March 28, 2025. The Loan is subject to optional redemption on any June 1 or December 1 after the Closing Date upon payment of (i) principal, (ii) accrued interest on the amount being prepaid, (iii) if prior to the third anniversary of the Closing Date, a Prepayment Premium of 3.00% of the principal amount prepaid, and (iv) if all or a portion of the Fixed Rate Loan Balance is being prepaid, a Yield Maintenance Fee as described in the Loan Agreement.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2018 Compass Loan (Continued)

The Loan is secured by and payable solely from and to the extent of the Pledged Revenue, which includes moneys derived from the following sources, net of costs of collection: (i) the Required Mill Levy; (ii) the portion of the Specific Ownership Taxes allocable to the amount of the Required Mill Levy; (iii) the Pledge Agreement Revenues; and (iv) any other legally available moneys which the District determines, in its absolute discretion, to apply as Pledged Revenue.

Required Mill Levy means:

(a) prior to the time when the Debt to Assessed Ratio is 50.00% or less, a mill levy imposed each year in an amount which maintains the Debt Mill Levy Ratio and which, when combined with (i) moneys held in the Revenue Fund not required to be applied to the payment of the Loan in the then-current Fiscal Year, and (ii) Pledge Agreement Revenues to be received from District No. 1 pursuant to the Pledge Agreement, will generate tax revenues of not less than the Estimated Debt Requirements for the next Fiscal Year, but not in excess of 50.000 mills, and not less than 30.000 mills.

However, if the District fails to provide the Refinancing Certificate to the Lender prior to the District's certification of the Required Mill Levy for collection in Fiscal Year 2025, then the "Required Mill Levy" to be imposed in Fiscal Year 2024 and any Fiscal Year thereafter in which the Loan Balance remains unpaid, unsatisfied and undischarged, shall be no less than 50.000 mills without maintaining the Debt Mill Levy Ratio.

In the event the method of calculating assessed valuation is changed after January 1, 2014, the maximum and minimum mill levies will be increased or decreased to reflect such changes so that to the extent possible, the actual revenues generated by the minimum or maximum mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) once the Debt to Assessed Ratio is 50% or less, a mill levy imposed each year in an amount which maintains the Debt Mill Levy Ratio and which, when combined with (i) moneys in the Revenue Fund not required to be applied to the payment of the Loan in the then-current Fiscal Year, including capitalized interest capitalized therein in connection with an advance, and (ii) Pledge Agreement Revenues to be received from District No. 1 pursuant to the Pledge Agreement, will generate tax revenues of not less than the Estimated Debt Requirements for the next Fiscal Year, without limitation of rate and in amounts sufficient to make such payments when due.

However, if the District fails to provide the Refinancing Certificate to the Lender prior to the District's certification of the Required Mill Levy for collection in Fiscal year 2025, then the "Required Mill Levy" to be imposed in 2024 and in any year thereafter in which the Loan remains unpaid, unsatisfied and undischarged, shall be an amount sufficient to pay the Estimated Debt Requirements, but not higher than 75.000 mills (exclusive of an operations and maintenance mill levy of the District of not higher than 15 mills) which mill levy shall not be subject to the changes in the method of calculating assessed valuation.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2018 Compass Loan (Continued)

For tax collection year 2021, the adjusted Required Mill Levy was 30.000. The District certified 30.000 mills for debt service taxes collected in 2022.

Debt to Assessed Ratio is defined in the Loan Agreement as the ratio derived by dividing the then-outstanding Debt of the District and District No. 1 (except for the debt created by the Pledge Agreement) by the most recent Final Assessed Valuation of all taxable property in the District and in District No. 1, as such Final Assessed Valuation is certified from time to time by the Assessors.

Debt Mill Levy Ratio means the relationship of the Capital Mill Levy, imposed by District No. 1, to the Required Mill Levy, imposed by the District, represented by the imposition of the Capital Levy in the amount which is five (5) mills greater than the amount of the Required Mill Levy. The Capital Levy may not be in excess of 50.000 mills and not less than 35.000 mills, as adjusted.

The District entered into a Pledge Agreement with District No. 1 on March 28, 2018 (as amended on March 2, 2020), pursuant to which the District agrees to finance public improvements by incurring the Loan and District No. 1 agrees to impose the Capital Mill Levy and remit all resulting Pledge Agreement Revenues to the Lender.

The Loan is further secured by the Reserve Fund which was initially funded on the closing Date of the Loan from the proceeds of the Initial Funded Amount in the amount of the Reserve Requirement of \$450,000.

Using the Fixed Rates of the Loan and subsequent Advances, the estimated annual requirement to amortize the remaining balance is as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 411,500	\$ 491,870	\$ 903,370
2024	441,500	478,662	920,162
2025	13,688,000	142,422	13,830,422
Total	<u>\$ 14,541,000</u>	<u>\$ 1,112,954</u>	<u>\$ 15,653,954</u>

The 2018 Compass Loan does not have any unused lines of credit. No assets have been pledged as collateral. The 2018 Compass Loan is not subject to early termination and is not subject to acceleration.

Events of Default

Events of default occur if the District, fails to impose the Required Mill Levy, or to apply the Pledged Revenues as required by the Indenture, and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 4, 2014, the District's voters authorized total indebtedness of \$225,000,000 with \$25,000,000 for each of the following listed facilities; street improvements, water, storm or sanitary sewer, parks and recreation, traffic and safety control, mosquito control, public transportation, security services, and operations and maintenance. Voters also authorized indebtedness of \$25,000,000 for refunding of debt and \$25,000,000 for intergovernmental contracts.

The District had authorized but unissued debt at December 31, 2022, for the following detailed purposes:

	Authorized November 4, 2014 Election	Loan Authorization Used	Remaining at December 31, 2022
Streets	\$ 25,000,000	\$ 3,763,339	\$ 21,236,661
Water	25,000,000	2,667,776	22,332,224
Sanitary Sewer and Storm Sewer	25,000,000	8,121,672	16,878,328
Parks and Recreation	25,000,000	1,002,094	23,997,906
Traffic and Safety	25,000,000	40,119	24,959,881
Mosquito Control	25,000,000	-	25,000,000
Public Transportation	25,000,000	-	25,000,000
Security Services	25,000,000	-	25,000,000
Operations and Maintenance	25,000,000	-	25,000,000
Debt Refunding	25,000,000	-	25,000,000
Intergovernmental Contracts	25,000,000	-	25,000,000
Total	<u>\$ 275,000,000</u>	<u>\$ 15,595,000</u>	<u>\$ 259,405,000</u>

Pursuant to the Service Plan, the aggregate debt of the Districts for funding costs of improvements shall not exceed \$25,000,000. Additionally, the maximum debt mill levy is 50.000 mills as adjusted.

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.

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

NOTE 6 NET POSITION

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

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:	
Emergency Reserves	\$ 7,400
Debt Service	<u>346,088</u>
Total Restricted Net Position	<u><u>\$ 353,488</u></u>

The District has a deficit in unrestricted net position. The deficit is 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 7 RELATED PARTIES

The Developer of the property which constitutes the District is Globeville I, LLC (the Developer). TC Denver Development, Inc. and Crossroads Commerce Park Industrial, LLC are owners of property within the District (the Owners). Certain members of the Board of Directors are employees, owners, or otherwise associated with the Developer and the Owners, and may have conflicts of interest in dealing with the District.

NOTE 8 DISTRICT AGREEMENTS

Cooperation Agreement

The District is located within the boundaries of an urban redevelopment area designated in an urban renewal plan adopted by the City and County of Denver and known as the Globeville Commercial Urban Redevelopment Plan (the Urban Redevelopment Plan). In accordance with Section 31-25-101, et. seq., Colorado Revised Statutes, as amended (the Urban Renewal Act) and the Urban Redevelopment Plan, Denver Urban Renewal Authority (DURA) is authorized to undertake certain projects within the area designated in the Urban Redevelopment Plan and to finance such projects by utilizing certain incremental increases in the property taxes (Tax Incremental Revenues).

The Districts and DURA entered into a Cooperation Agreement dated as of January 29, 2015 (the Cooperation Agreement), whereby, among other terms, a portion of the Tax Increment Revenues attributable to the Districts' current and future levy of ad valorem taxes on real and personal taxable property within the Urban Redevelopment Area and specific ownership tax on vehicles shall, upon receipt by DURA, be paid to the Districts for payment of the costs associated with the construction, acquisition and financing of the Public Improvements.

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

NOTE 8 DISTRICT AGREEMENTS (CONTINUED)

Facilities Funding, Construction and Operation Agreement

The District, as the Operating District, and District No. 1 entered into the Facilities Funding, Construction and Operation Agreement (the FFCOA), effective as of March 28, 2018. The FFCOA entirely replaces and supersedes the District MOU. The District and District No. 1 agree that the Public Improvements are necessary and such Public Improvements will benefit the property owners in the service area of the Districts.

The purpose of the FFCOA is to establish the District's responsibility for constructing, designing, and operating the Public Improvements, and District No. 1's responsibility for financing the Public Improvements that benefit the Districts and establish the District and District No. 1's obligation to pay for the services and benefit of the Public Improvements received from the District.

Each District agrees that the District will own, operate, maintain, and construct certain of the Public Improvements, and that District No. 1 will finance and contribute to the costs of construction, operation, management and maintenance of the Public Improvements as may be owned, operated, maintained, and constructed by the District. The District and District No. 1 agree that the District shall perform or cause to be performed all operations and maintenance services for the District and District No. 1.

This Agreement shall be effective upon the Effective Date, as defined herein, and shall represent the valid, binding and legally enforceable obligations of each of the Districts until such time as each of the terms and conditions hereof has been performed in their entirety, or until this Agreement is terminated by mutual written agreement of the Districts. Upon execution, this Agreement shall entirely replace and supersede the District MOU.

NOTE 9 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; injuries to employees; 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.

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

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

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 4, 2014, the District's voters passed an election question approving an annual increase in ad valorem property taxes of \$5,000,000 and an increase in fees of \$5,000,000 to pay the District's operation and maintenance costs. The electors further authorized an increase in ad valorem property taxes of \$5,000,000 to pay expenses pursuant to intergovernmental agreements. Additionally, the District's electors authorized the District to collect, retain and spend all revenue annually, other than ad valorem taxes, without regard to 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.

SUPPLEMENTARY INFORMATION

**CCP 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	\$ 5,360	\$ 6,339	\$ 979
Property Taxes DURA	717,039	716,689	(350)
Intergovernmental Revenue	240,574	239,323	(1,251)
Specific Ownership Taxes	51,332	53,430	2,098
Net Investment Income	350	9,588	9,238
Total Revenues	<u>1,014,655</u>	<u>1,025,369</u>	<u>10,714</u>
EXPENDITURES			
2018 Loan Interest	410,460	414,960	(4,500)
2020 Loan Interest	93,779	95,081	(1,302)
2018 Loan Principal	352,000	352,000	-
County Treasurer's Fees	80	82	(2)
Paying Agent Fees	2,500	-	2,500
Contingency	4,137	-	4,137
Total Expenditures	<u>862,956</u>	<u>862,123</u>	<u>833</u>
NET CHANGE IN FUND BALANCE	151,699	163,246	11,547
Fund Balance - Beginning of Year	<u>699,404</u>	<u>678,646</u>	<u>(20,758)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 851,103</u></u>	<u><u>\$ 841,892</u></u>	<u><u>\$ (9,211)</u></u>

OTHER INFORMATION

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

Loans and Interest Maturing in the Year Ending December 31,	\$9,600,000 Tax Exempt Loan Draw #1 Dated March 28, 2018 Series 2018 Interest Rate of 3.55% Payable June 1 and December 1 Principal Due December 1			\$902,871 Tax Exempt Loan Draw #2 Dated March 7, 2019 Series 2018 Interest Rate of 3.72% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 275,000	\$ 309,360	\$ 584,360	\$ 31,600	\$ 32,010	\$ 63,610
2024	300,000	300,283	600,283	31,600	30,903	62,503
2025	8,145,000	92,531	8,237,531	785,498	9,497	794,995
Total	<u>\$ 8,720,000</u>	<u>\$ 702,174</u>	<u>\$ 9,422,174</u>	<u>\$ 848,698</u>	<u>\$ 72,410</u>	<u>\$ 921,108</u>

CCP METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2022

Loans and Interest Maturing in the Year Ending December 31,	\$1,997,129 Tax Exempt Loan Draw #3 Dated September 27, 2019 Series 2018 Interest Rate of 2.98% Payable June 1 and December 1 Principal Due December 1			\$3,095,000 Tax Exempt Loan Draw Dated March 2, 2020 Series 2020 Interest Rate of 3.03% Payable June 1 and December 1 Principal Due December 1			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2023	\$ 69,900	\$ 56,721	\$ 126,621	\$ 35,000	\$ 93,779	\$ 128,779	\$ 411,500	\$ 491,870
2024	69,900	54,758	124,658	40,000	92,718	132,718	441,500	478,662	920,162
2025	1,737,502	16,828	1,754,330	3,020,000	23,566	3,043,566	13,688,000	142,422	13,830,422
Total	<u>\$ 1,877,302</u>	<u>\$ 128,307</u>	<u>\$ 2,005,609</u>	<u>\$ 3,095,000</u>	<u>\$ 210,063</u>	<u>\$ 3,305,063</u>	<u>\$ 14,541,000</u>	<u>\$ 1,112,954</u>	<u>\$ 15,653,954</u>

**CCP METROPOLITAN DISTRICT NO. 3
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	Mills Levied		Total Property Taxes		Percentage Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 113,690	13.000	30.000	\$ 4,889	\$ 4,887	99.97 %
2020	135,990	12.000	30.000	5,712	5,702	99.83
2021	134,530	9.000	30.000	5,247	5,251	100.08
2022	153,140	8.000	35.000	6,585	7,788	118.27
Estimated for the Year Ending December 31, 2023	\$ 158,190	8.000	35.000	\$ 6,803		

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.