

PROSPER COORDINATING METROPOLITAN DISTRICT
PROSPER REGIONAL WATER & SANITATION SERVICE
METROPOLITAN DISTRICT
PROSPER WATER & SANITATION FINANCING METROPOLITAN
DISTRICT
PROSPER PARK & RECREATION FINANCING
METROPOLITAN DISTRICT
PROSPER METROPOLITAN DISTRICT NOS. 1-4

8390 E. Crescent Parkway, Suite 300
 Greenwood Village, Colorado 80111
 Phone: 303-779-5710
 Fax: 303-779-0348
 www.prospermds.org

NOTICE OF SPECIAL MEETING AND AGENDA

DATE: Tuesday, July 11, 2023

TIME: 4:00 p.m.

LOCATION: Microsoft TEAMS

ACCESS: You can attend the meeting in any of the following ways:

1. To attend via Microsoft Teams Videoconference, link as follows:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_YzFINDQyYjAtYmI5MS00Y2FiLWJIN2QtYmViOTFjYTY2MzY5%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d

2. To attend via telephone, dial 720-547-5281 and enter the following additional information: Conference ID: 757 825 287#

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Maribeth W. D’Amico	President	May 2027
Kari Wright	Secretary/Treasurer	May 2025
William Smith	Assistant Secretary	May 2025
Don Sullivan	Assistant Secretary	May 2025
Vacancy	N/A	May 2027

I. ADMINISTRATIVE MATTERS

- A. Call to order and approval of agenda.
- B. Present disclosures of potential conflicts of interest.
- C. Confirm quorum, location of meeting and posting of meeting notices. Designate 24-hour posting location.
- D. Discuss results of cancelled May 2, 2023 Regular Directors' Election (enclosure) and consider appointment of officers:
 - President: _____
 - Secretary/Treasurer: _____
 - Assistant Secretary: _____
 - Assistant Secretary: _____
- E. Public Comment.

Members of the public may express their views to the Boards on matters that affect the Districts that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.

II. CONSENT AGENDA

- A. **[All Districts]** Review and consider approval of minutes of November 14, 2022 Special Meeting (enclosures).
- B. **[Coordinating MD]** Ratify approval of No Surface Occupancy Oil and Gas Lease between Prosper Coordinating Metropolitan district and Crestone Peak Resources Operating, LLC, Memorandum of Oil & Gas Lease, and Order of Payment (enclosures).

III. LEGAL MATTERS

- A. **[All Districts]** Discuss and consider adoption of Resolution No. 2023-06-01, Resolution Calling a Special Election Within the District on November 7, 2023 to be Conducted as an Independent Mail Ballot Election, Submitting to the Eligible Electors of the District Questions Relating to the Issuance of Debt and Approving Other Matters in Connection Therewith (to be distributed).
- B. **[All Districts]** Discuss Senate Bill 23-108 (Allowing Temporary Reductions in Property Taxes Due) and potential impact on 2024 budget process and strategy.
- C. **[All Districts]** Discuss legislative changes that may impact the District / Annual Meeting requirement.

- D. **[All Districts]** Discuss potential inclusion of wellhead into one of the Prosper Districts (relating to the Oil and Gas Lease between Prosper Coordinating MD and Crestone Peak Resources Operating, LLC).
- E. **[Coordinating MD]** Discuss issues relating to right-of-way and construction of an extension to Colfax Ave., related easements, and potential cost sharing agreement between Prosper Coordinating MD and JL Group, LLC for design and construction of such extension. Authorize any necessary actions in connection therewith.

IV. FINANCIAL MATTERS

- A. **[Coordinating MD]** Ratify approval of Paid Claims/New Claims (enclosure).
- B. **[Coordinating MD]** Review and accept April 30, 2023 Unaudited Financial Statements and June 2023 Schedule of Cash Position (enclosures).
- C. **[Coordinating MD]** Review and consider approval of 2022 Audit and authorize execution of Representations Letter (enclosure – draft audit).
- D. **[Prosper MD No. 1, No. 2, No. 3, No. 4 Regional W&S, W&S Financing, and P&R Financing]** Ratify approval, execution and filing of Application for Exemption from Audit for 2022.

V. CONSTRUCTION MATTERS

- A. **[Coordinating MD]** Presentation of Construction Status Report by Independent District Engineering Services, LLC (if available, to be distributed at meeting).
- B. **[Coordinating MD]** Consider approval of contracts, change orders, work orders, and LAPs, if any.

VI. MANAGER MATTERS

- A. **[Park & Rec. Financing MD]** Discuss insurance requirements (public officials' liability, general liability, comprehensive crime, and workers' compensation). Consider adoption of Resolution No. 2023-06-02 to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool (such resolution also approving the "Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool"), and authorize membership in the Special District Association (enclosures – insurance proposal and resolution/IGA).
- B. **[Park & Rec. Financing MD]** Discuss and consider approval of Agency Service Fee Agreement between the Authority and TCW Risk Management (enclosure).

VII. OTHER BUSINESS

VIII. ADJOURNMENT

The next regular meeting is scheduled for Wednesday, July 26, 2023 at 1:30 p.m.

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER METROPOLITAN DISTRICT NO. 1
(THE "DISTRICT")
HELD
NOVEMBER 14, 2022

A special meeting of the Board of Directors of the Prosper Metropolitan District No. 1 (the "Board") was convened on Monday, November 14, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary

Director William Smith was absent and excused.

Also In Attendance Were:

Denise Denslow, Sandy Brandenburger and Susan Agema; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 2:00 p.m. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Smith.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the

RECORD OF PROCEEDINGS

District's Board meeting.

Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Public Comment: There were no public comments.

Renewal of District's insurance coverage and Special District Association membership for 2023: Following review, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance coverage and Special District Association membership for 2023.

Status of Establishment of District Website: Ms. Denslow informed the Board that a District website has been established on the WIX platform and, following discussion, the Board determined to maintain the District website on such platform.

CONSENT AGENDA

- **Approval of Minutes of August 22, 2022 Regular Meeting**
- **Transparency Notice and Mode of Eligible Elector Notification for 2023**
- **2023 Meeting Schedule and Adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices**
- **Direction to Staff Regarding Section 32-1-306, C.R.S. Annual Map Filing Compliance for 2023**

Ms. Denslow reviewed the Consent Agenda items with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

It was noted that the required Transparency Notice will be posted on the Special District Association website and the District website, and that regular meetings of the District for 2023 will be held on the 4th Wednesday of each month at 2:00 p.m., such meetings to be held virtually or at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203, at the discretion of the Board.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election ("Election"): Mr. Sorensen discussed the Election with the Board.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing Craig Sorensen as Designated Election

RECORD OF PROCEEDINGS

Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

FINANCIAL MATTERS

2022 Budget Amendment: Director D’Amico opened the public hearing to consider a potential amendment to the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema informed the Board that no amendment to the 2022 Budget was required.

2023 Budget: Director D’Amico opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema reviewed the 2023 Budget with the Board. It was determined that no mill levy would be imposed. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the 2023 Budget, as presented, and adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money. Staff was directed to make the appropriate statutory filings.

Ms. Denslow discussed with the Board her firm’s new requirement that the DLG-70 Certification of Tax Levies (“Certification”) be signed by a Board Member. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed Director D’Amico to sign the Certification (zero mill levy).

2022 Audit Exemption: Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the Application for Exemption from Audit for 2022.

Preparation of 2024 Budget: Upon a motion duly made by Director Sullivan, seconded by Director Wright, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget, and directed that

RECORD OF PROCEEDINGS

the form of the 2024 Budget be the same as the 2023 Budget, unless directed otherwise by a Board Member.

MANAGER
MATTERS

Approval of CliftonLarsonAllen LLP 2023 Statements of Work (“SOWs”):
Ms. Denslow reviewed the 2023 SOWs with the Board, noting that her firm requires approval of the SOWs annually. She indicated there were no changes from the SOWs approved for 2022. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan the Board approved the 2023 SOWs.

OTHER
BUSINESS

The Board determined to cancel the November 28, 2022 regular meeting.

ADJOURNMENT

Upon a motion duly made by Director Sullivan, seconded by Director Wright, and, upon vote, unanimously carried, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER COORDINATING METROPOLITAN DISTRICT
(THE "DISTRICT")
HELD
NOVEMBER 14, 2022

A special meeting of the Board of Directors of the Prosper Coordinating Metropolitan District (the "Board") was convened on Monday, November 14, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary

Director William Smith was absent and excused.

Also In Attendance Were:

Denise Denslow, Sandy Brandenburger and Susan Agema; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 2:00 p.m. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Smith.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the

RECORD OF PROCEEDINGS

District's Board meeting.

Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Public Comment: There were no public comments.

Renewal of District's insurance coverage and Special District Association membership for 2023: Following review, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance coverage and Special District Association membership for 2023.

Status of Establishment of District Website: Ms. Denslow informed the Board that a District website has been established on the WIX platform and, following discussion, the Board determined to maintain the District website on such platform.

CONSENT AGENDA

- **Approval of Minutes of August 22, 2022 Regular Meeting**
- **Transparency Notice and Mode of Eligible Elector Notification for 2023**
- **2023 Meeting Schedule and Adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices**
- **Direction to Staff Regarding Section 32-1-306, C.R.S. Annual Map Filing Compliance for 2023**

Ms. Denslow reviewed the Consent Agenda items with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

It was noted that the required Transparency Notice will be posted on the Special District Association website and the District website, and that regular meetings of the District for 2023 will be held on the 4th Wednesday of each month at 2:00 p.m., such meetings to be held virtually or at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203, at the discretion of the Board.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election ("Election"): Mr. Sorensen discussed the Election with the Board.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing Craig Sorensen as Designated Election

RECORD OF PROCEEDINGS

Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Third Amendment to 2018-2019 Facilities Funding and Acquisition Agreement: It was noted that the 2018-2019 Facilities Funding and Acquisition Agreement (“FFAA”) between the District and VREI, Inc. needs to be extended to cover fiscal year 2023, and that the shortfall amount needs to be increased.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the Third Amendment to the FFAA, subject to approval by VREI, Inc.

Well Proposal and Proposed Oil and Gas Lease: Extensive discussion was held regarding the Well Proposal for various Prosper Farm wells) from Civitas Resources, Inc. as parent company of Crestone Peak Resources Operating, LLC (“Crestone”), and the proposed Oil and Gas Lease between the District and Crestone. It was noted that the wellhead is currently not within the boundaries of any of the Prosper Districts.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board directed District Counsel and Staff to work with the surface property owner to include the property into the tax base of one of the Prosper Districts, and to work with the oil and gas owner regarding the proposed lease. The Board also authorized the District President to execute any necessary documents.

FINANCIAL MATTERS

Claims: Ms. Agema reviewed the claims list with the Board. Following review and discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board ratified the approval of paid claims (processed through bill.com or via ACH) in the amount of \$43,317.67.

August 31, 2022 Financial Statements and October 2022 Schedule of Cash Position: Ms. Agema reviewed the August 31, 2022 Unaudited Financial Statements and October 2022 Schedule of Cash Position with the Board. Following review and discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board accepted the August 31, 2022 Unaudited Financial Statements and the October 2022 Schedule of Cash Position, as presented.

2022 Budget Amendment: Director D’Amico opened the public hearing to consider a potential amendment to the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

RECORD OF PROCEEDINGS

No public comments were received, and the public hearing was closed.

Ms. Agema informed the Board that no amendment to the 2022 Budget was required.

2023 Budget: Director D’Amico opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema reviewed the 2023 Budget with the Board. It was determined that no mill levy would be imposed. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the 2023 Budget, as presented, and adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money. Staff was directed to make the appropriate statutory filings.

Ms. Denslow discussed with the Board her firm’s new requirement that the DLG-70 Certification of Tax Levies (“Certification”) be signed by a Board Member. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed Director D’Amico to sign the Certification (zero mill levy).

2022 Audit: Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board authorized the engagement of Haynie & Co. to prepare the 2022 Audit, as long as the fee is within the 2023 budget parameter of a combined cost of \$11,500 for both Prosper Coordinating Metropolitan District and Prosper Metropolitan District No. 4.

Preparation of 2024 Budget: Upon a motion duly made by Director Sullivan, seconded by Director Wright, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget, and directed that the form of the 2024 Budget be the same as the 2023 Budget, unless directed otherwise by a Board Member.

CONSTRUCTION MATTERS

Presentation of Construction Status Report By Independent District Engineering Services, LLC (“IDES”): Mr. Collins indicated that no report was prepared, due to the lack of any construction activity.

Contracts, Change Orders, Work Order and LAPs: No items were presented for approval.

RECORD OF PROCEEDINGS

MANAGER
MATTERS

Approval of CliftonLarsonAllen LLP 2023 Statements of Work (“SOWs”):
Ms. Denslow reviewed the 2023 SOWs with the Board, noting that her firm requires approval of the SOWs annually. She indicated there were no changes from the SOWs approved for 2022. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan the Board approved the 2023 SOWs.

OTHER
BUSINESS

The Board determined to cancel the November 28, 2022 regular meeting.

ADJOURNMENT

Upon a motion duly made by Director Sullivan, seconded by Director Wright, and, upon vote, unanimously carried, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER METROPOLITAN DISTRICT NO. 2
(THE "DISTRICT")
HELD
NOVEMBER 14, 2022

A special meeting of the Board of Directors of the Prosper Metropolitan District No. 2 (the "Board") was convened on Monday, November 14, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary

Director William Smith was absent and excused.

Also In Attendance Were:

Denise Denslow, Sandy Brandenburger and Susan Agema; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 2:00 p.m. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Smith.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the

RECORD OF PROCEEDINGS

District's Board meeting.

Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Public Comment: There were no public comments.

Renewal of District's insurance coverage and Special District Association membership for 2023: Following review, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance coverage and Special District Association membership for 2023.

Status of Establishment of District Website: Ms. Denslow informed the Board that a District website has been established on the WIX platform and, following discussion, the Board determined to maintain the District website on such platform.

CONSENT AGENDA

- **Approval of Minutes of August 22, 2022 Regular Meeting**
- **Transparency Notice and Mode of Eligible Elector Notification for 2023**
- **2023 Meeting Schedule and Adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices**
- **Direction to Staff Regarding Section 32-1-306, C.R.S. Annual Map Filing Compliance for 2023**

Ms. Denslow reviewed the Consent Agenda items with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

It was noted that the required Transparency Notice will be posted on the Special District Association website and the District website, and that regular meetings of the District for 2023 will be held on the 4th Wednesday of each month at 2:00 p.m., such meetings to be held virtually or at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203, at the discretion of the Board.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election ("Election"): Mr. Sorensen discussed the Election with the Board.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing Craig Sorensen as Designated Election

RECORD OF PROCEEDINGS

Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

FINANCIAL MATTERS

2022 Budget Amendment: Director D’Amico opened the public hearing to consider a potential amendment to the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema informed the Board that no amendment to the 2022 Budget was required.

2023 Budget: Director D’Amico opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema reviewed the 2023 Budget with the Board. It was determined that no mill levy would be imposed. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the 2023 Budget, as presented, and adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money. Staff was directed to make the appropriate statutory filings.

Ms. Denslow discussed with the Board her firm’s new requirement that the DLG-70 Certification of Tax Levies (“Certification”) be signed by a Board Member. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed Director D’Amico to sign the Certification (zero mill levy).

2022 Audit Exemption: Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the Application for Exemption from Audit for 2022.

Preparation of 2024 Budget: Upon a motion duly made by Director Sullivan, seconded by Director Wright, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget, and directed that

RECORD OF PROCEEDINGS

the form of the 2024 Budget be the same as the 2023 Budget, unless directed otherwise by a Board Member.

MANAGER
MATTERS

Approval of CliftonLarsonAllen LLP 2023 Statements of Work (“SOWs”):
Ms. Denslow reviewed the 2023 SOWs with the Board, noting that her firm requires approval of the SOWs annually. She indicated there were no changes from the SOWs approved for 2022. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan the Board approved the 2023 SOWs.

OTHER
BUSINESS

The Board determined to cancel the November 28, 2022 regular meeting.

ADJOURNMENT

Upon a motion duly made by Director Sullivan, seconded by Director Wright, and, upon vote, unanimously carried, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER METROPOLITAN DISTRICT NO. 3
(THE "DISTRICT")
HELD
NOVEMBER 14, 2022

A special meeting of the Board of Directors of the Prosper Metropolitan District No. 3 (the "Board") was convened on Monday, November 14, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary

Director William Smith was absent and excused.

Also In Attendance Were:

Denise Denslow, Sandy Brandenburger and Susan Agema; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 2:00 p.m. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Smith.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the

RECORD OF PROCEEDINGS

District's Board meeting.

Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Public Comment: There were no public comments.

Renewal of District's insurance coverage and Special District Association membership for 2023: Following review, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance coverage and Special District Association membership for 2023.

Status of Establishment of District Website: Ms. Denslow informed the Board that a District website has been established on the WIX platform and, following discussion, the Board determined to maintain the District website on such platform.

CONSENT AGENDA

- **Approval of Minutes of August 22, 2022 Regular Meeting**
- **Transparency Notice and Mode of Eligible Elector Notification for 2023**
- **2023 Meeting Schedule and Adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices**
- **Direction to Staff Regarding Section 32-1-306, C.R.S. Annual Map Filing Compliance for 2023**

Ms. Denslow reviewed the Consent Agenda items with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

It was noted that the required Transparency Notice will be posted on the Special District Association website and the District website, and that regular meetings of the District for 2023 will be held on the 4th Wednesday of each month at 2:00 p.m., such meetings to be held virtually or at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203, at the discretion of the Board.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election ("Election"): Mr. Sorensen discussed the Election with the Board.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing Craig Sorensen as Designated Election

RECORD OF PROCEEDINGS

Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

FINANCIAL MATTERS

2022 Budget Amendment: Director D’Amico opened the public hearing to consider a potential amendment to the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema informed the Board that no amendment to the 2022 Budget was required.

2023 Budget: Director D’Amico opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema reviewed the 2023 Budget with the Board. It was determined that the District would impose a mill levy of 70.000 mills in the General Fund. After discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the 2023 Budget, as presented, adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money, and adopted Resolution No. 2022-11-04 to Set Mill Levies. Staff was directed to make the appropriate statutory filings.

Ms. Denslow discussed with the Board her firm’s new requirement that the DLG-70 Certification of Tax Levies (“Certification”) be signed by a Board Member. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed Director D’Amico to sign the Certification.

2022 Audit Exemption: Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the Application for Exemption from Audit for 2022.

RECORD OF PROCEEDINGS

Preparation of 2024 Budget: Upon a motion duly made by Director Sullivan, seconded by Director Wright, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget, and directed that the form of the 2024 Budget be the same as the 2023 Budget, unless directed otherwise by a Board Member.

**MANAGER
MATTERS**

Approval of CliftonLarsonAllen LLP 2023 Statements of Work (“SOWs”): Ms. Denslow reviewed the 2023 SOWs with the Board, noting that her firm requires approval of the SOWs annually. She indicated there were no changes from the SOWs approved for 2022. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan the Board approved the 2023 SOWs.

**OTHER
BUSINESS**

The Board determined to cancel the November 28, 2022 regular meeting.

ADJOURNMENT

Upon a motion duly made by Director Sullivan, seconded by Director Wright, and, upon vote, unanimously carried, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER METROPOLITAN DISTRICT NO. 4
(THE "DISTRICT")
HELD
NOVEMBER 14, 2022

A special meeting of the Board of Directors of the Prosper Metropolitan District No. 4 (the "Board") was convened on Monday, November 14, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary

Director William Smith was absent and excused.

Also In Attendance Were:

Denise Denslow, Sandy Brandenburger and Susan Agema; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 2:00 p.m. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Smith.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the

RECORD OF PROCEEDINGS

District's Board meeting.

Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Public Comment: There were no public comments.

Renewal of District's insurance coverage and Special District Association membership for 2023: Following review, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance coverage and Special District Association membership for 2023.

Status of Establishment of District Website: Ms. Denslow informed the Board that a District website has been established on the WIX platform and, following discussion, the Board determined to maintain the District website on such platform.

CONSENT AGENDA

- **Approval of Minutes of August 22, 2022 Regular Meeting**
- **Transparency Notice and Mode of Eligible Elector Notification for 2023**
- **2023 Meeting Schedule and Adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices**
- **Direction to Staff Regarding Section 32-1-306, C.R.S. Annual Map Filing Compliance for 2023**

Ms. Denslow reviewed the Consent Agenda items with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

It was noted that the required Transparency Notice will be posted on the Special District Association website and the District website, and that regular meetings of the District for 2023 will be held on the 4th Wednesday of each month at 2:00 p.m., such meetings to be held virtually or at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203, at the discretion of the Board.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election ("Election"): Mr. Sorensen discussed the Election with the Board.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing Craig Sorensen as Designated Election

RECORD OF PROCEEDINGS

Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

FINANCIAL
MATTERS

2022 Budget Amendment: Director D’Amico opened the public hearing to consider a potential amendment to the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema informed the Board that no amendment to the 2022 Budget was required.

2023 Budget: Director D’Amico opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema reviewed the 2023 Budget with the Board. It was determined that the District would impose a mill levy of 70.000 mills in the General Fund. After discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the 2023 Budget, as presented, adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money, and adopted Resolution No. 2022-11-04 to Set Mill Levies. Staff was directed to make the appropriate statutory filings.

Ms. Denslow discussed with the Board her firm’s new requirement that the DLG-70 Certification of Tax Levies (“Certification”) be signed by a Board Member. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed Director D’Amico to sign the Certification.

2022 Audit: Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board authorized the engagement of Haynie & Co. to prepare the 2022 Audit, as long as the fee is within the 2023 budget parameter of a combined cost of \$11,500 for both Prosper Coordinating Metropolitan District and Prosper Metropolitan District No. 4.

RECORD OF PROCEEDINGS

Preparation of 2024 Budget: Upon a motion duly made by Director Sullivan, seconded by Director Wright, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget, and directed that the form of the 2024 Budget be the same as the 2023 Budget, unless directed otherwise by a Board Member.

**MANAGER
MATTERS**

Approval of CliftonLarsonAllen LLP 2023 Statements of Work (“SOWs”): Ms. Denslow reviewed the 2023 SOWs with the Board, noting that her firm requires approval of the SOWs annually. She indicated there were no changes from the SOWs approved for 2022. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan the Board approved the 2023 SOWs.

**OTHER
BUSINESS**

The Board determined to cancel the November 28, 2022 regular meeting.

ADJOURNMENT

Upon a motion duly made by Director Sullivan, seconded by Director Wright, and, upon vote, unanimously carried, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER PARK & RECREATION FINANCING
METROPOLITAN DISTRICT
(THE “DISTRICT”)
HELD
NOVEMBER 14, 2022

A special meeting of the Board of Directors of the Prosper Park & Recreation Financing Metropolitan District (the “Board”) was convened on Monday, November 14, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D’Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary

Director William Smith was absent and excused.

Also In Attendance Were:

Denise Denslow, Sandy Brandenburger and Susan Agema; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC (“IDES”)

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 2:00 p.m. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Smith.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the

RECORD OF PROCEEDINGS

requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Public Comment: There were no public comments.

Renewal of District's insurance coverage and Special District Association membership for 2023: Following review, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance coverage and Special District Association membership for 2023.

Status of Establishment of District Website: Ms. Denslow informed the Board that a District website has been established on the WIX platform and, following discussion, the Board determined to maintain the District website on such platform.

CONSENT AGENDA

- **Approval of Minutes of August 22, 2022 Regular Meeting**
- **Transparency Notice and Mode of Eligible Elector Notification for 2023**
- **2023 Meeting Schedule and Adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices**
- **Direction to Staff Regarding Section 32-1-306, C.R.S. Annual Map Filing Compliance for 2023**

Ms. Denslow reviewed the Consent Agenda items with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

It was noted that the required Transparency Notice will be posted on the Special District Association website and the District website, and that regular meetings of the District for 2023 will be held on the 4th Wednesday of each month at 2:00 p.m., such meetings to be held virtually or at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203, at the discretion of the Board.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election ("Election"): Mr. Sorensen discussed the Election with the Board.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing Craig Sorensen as Designated Election

RECORD OF PROCEEDINGS

Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

FINANCIAL MATTERS

2022 Budget Amendment: Director D’Amico opened the public hearing to consider a potential amendment to the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema informed the Board that no amendment to the 2022 Budget was required.

2023 Budget: Director D’Amico opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema reviewed the 2023 Budget with the Board. It was determined that no mill levy would be imposed. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the 2023 Budget, as presented, and adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money. Staff was directed to make the appropriate statutory filings.

Ms. Denslow discussed with the Board her firm’s new requirement that the DLG-70 Certification of Tax Levies (“Certification”) be signed by a Board Member. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed Director D’Amico to sign the Certification (zero mill levy).

2022 Audit Exemption: Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the Application for Exemption from Audit for 2022.

Preparation of 2024 Budget: Upon a motion duly made by Director Sullivan, seconded by Director Wright, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget, and directed that

RECORD OF PROCEEDINGS

the form of the 2024 Budget be the same as the 2023 Budget, unless directed otherwise by a Board Member.

MANAGER
MATTERS

Approval of CliftonLarsonAllen LLP 2023 Statements of Work (“SOWs”):
Ms. Denslow reviewed the 2023 SOWs with the Board, noting that her firm requires approval of the SOWs annually. She indicated there were no changes from the SOWs approved for 2022. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan the Board approved the 2023 SOWs.

OTHER
BUSINESS

The Board determined to cancel the November 28, 2022 regular meeting.

ADJOURNMENT

Upon a motion duly made by Director Sullivan, seconded by Director Wright, and, upon vote, unanimously carried, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER REGIONAL WATER & SANITATION SERVICE
METROPOLITAN DISTRICT
(THE “DISTRICT”)
HELD
NOVEMBER 14, 2022

A special meeting of the Board of Directors of the Prosper Regional Water & Sanitation Service Metropolitan District (the “Board”) was convened on Monday, November 14, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D’Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary

Director William Smith was absent and excused.

Also In Attendance Were:

Denise Denslow, Sandy Brandenburger and Susan Agema; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC (“IDES”)

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 2:00 p.m. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Smith.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the

RECORD OF PROCEEDINGS

requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Public Comment: There were no public comments.

Renewal of District's insurance coverage and Special District Association membership for 2023: Following review, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance coverage and Special District Association membership for 2023.

Status of Establishment of District Website: Ms. Denslow informed the Board that a District website has been established on the WIX platform and, following discussion, the Board determined to maintain the District website on such platform.

CONSENT AGENDA

- **Approval of Minutes of August 22, 2022 Regular Meeting**
- **Transparency Notice and Mode of Eligible Elector Notification for 2023**
- **2023 Meeting Schedule and Adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices**
- **Direction to Staff Regarding Section 32-1-306, C.R.S. Annual Map Filing Compliance for 2023**

Ms. Denslow reviewed the Consent Agenda items with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

It was noted that the required Transparency Notice will be posted on the Special District Association website and the District website, and that regular meetings of the District for 2023 will be held on the 4th Wednesday of each month at 2:00 p.m., such meetings to be held virtually or at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203, at the discretion of the Board.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election ("Election"): Mr. Sorensen discussed the Election with the Board.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing Craig Sorensen as Designated Election

RECORD OF PROCEEDINGS

Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

FINANCIAL MATTERS

2022 Budget Amendment: Director D’Amico opened the public hearing to consider a potential amendment to the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema informed the Board that no amendment to the 2022 Budget was required.

2023 Budget: Director D’Amico opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema reviewed the 2023 Budget with the Board. It was determined that no mill levy would be imposed. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the 2023 Budget, as presented, and adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money. Staff was directed to make the appropriate statutory filings.

Ms. Denslow discussed with the Board her firm’s new requirement that the DLG-70 Certification of Tax Levies (“Certification”) be signed by a Board Member. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed Director D’Amico to sign the Certification (zero mill levy).

2022 Audit Exemption: Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the Application for Exemption from Audit for 2022.

Preparation of 2024 Budget: Upon a motion duly made by Director Sullivan, seconded by Director Wright, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget, and directed that

RECORD OF PROCEEDINGS

the form of the 2024 Budget be the same as the 2023 Budget, unless directed otherwise by a Board Member.

MANAGER
MATTERS

Approval of CliftonLarsonAllen LLP 2023 Statements of Work (“SOWs”):
Ms. Denslow reviewed the 2023 SOWs with the Board, noting that her firm requires approval of the SOWs annually. She indicated there were no changes from the SOWs approved for 2022. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan the Board approved the 2023 SOWs.

OTHER
BUSINESS

The Board determined to cancel the November 28, 2022 regular meeting.

ADJOURNMENT

Upon a motion duly made by Director Sullivan, seconded by Director Wright, and, upon vote, unanimously carried, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER WATER & SANITATION FINANCING
METROPOLITAN DISTRICT
(THE “DISTRICT”)
HELD
NOVEMBER 14, 2022

A special meeting of the Board of Directors of the Prosper Water & Sanitation Financing Metropolitan District (the “Board”) was convened on Monday, November 14, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D’Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary

Director William Smith was absent and excused.

Also In Attendance Were:

Denise Denslow, Sandy Brandenburger and Susan Agema; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC (“IDES”)

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 2:00 p.m. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Smith.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the

RECORD OF PROCEEDINGS

requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Public Comment: There were no public comments.

Renewal of District's insurance coverage and Special District Association membership for 2023: Following review, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance coverage and Special District Association membership for 2023.

Status of Establishment of District Website: Ms. Denslow informed the Board that a District website has been established on the WIX platform and, following discussion, the Board determined to maintain the District website on such platform.

CONSENT AGENDA

- **Approval of Minutes of August 22, 2022 Regular Meeting**
- **Transparency Notice and Mode of Eligible Elector Notification for 2023**
- **2023 Meeting Schedule and Adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices**
- **Direction to Staff Regarding Section 32-1-306, C.R.S. Annual Map Filing Compliance for 2023**

Ms. Denslow reviewed the Consent Agenda items with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

It was noted that the required Transparency Notice will be posted on the Special District Association website and the District website, and that regular meetings of the District for 2023 will be held on the 4th Wednesday of each month at 2:00 p.m., such meetings to be held virtually or at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203, at the discretion of the Board.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election ("Election"): Mr. Sorensen discussed the Election with the Board.

Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing Craig Sorensen as Designated Election

RECORD OF PROCEEDINGS

Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

FINANCIAL MATTERS

2022 Budget Amendment: Director D’Amico opened the public hearing to consider a potential amendment to the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema informed the Board that no amendment to the 2022 Budget was required.

2023 Budget: Director D’Amico opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Agema reviewed the 2023 Budget with the Board. It was determined that the District would impose a mill levy of 20.000 mills in the General Fund. After discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the 2023 Budget, as presented, adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money, and adopted Resolution No. 2022-11-04 to Set Mill Levies. Staff was directed to make the appropriate statutory filings.

Ms. Denslow discussed with the Board her firm’s new requirement that the DLG-70 Certification of Tax Levies (“Certification”) be signed by a Board Member. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed Director D’Amico to sign the Certification.

2022 Audit Exemption: Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the Application for Exemption from Audit for 2022.

RECORD OF PROCEEDINGS

Preparation of 2024 Budget: Upon a motion duly made by Director Sullivan, seconded by Director Wright, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget, and directed that the form of the 2024 Budget be the same as the 2023 Budget, unless directed otherwise by a Board Member.

**MANAGER
MATTERS**

Approval of CliftonLarsonAllen LLP 2023 Statements of Work (“SOWs”): Ms. Denslow reviewed the 2023 SOWs with the Board, noting that her firm requires approval of the SOWs annually. She indicated there were no changes from the SOWs approved for 2022. Following discussion, upon a motion duly made by Director Wright, seconded by Director Sullivan the Board approved the 2023 SOWs.

**OTHER
BUSINESS**

The Board determined to cancel the November 28, 2022 regular meeting.

ADJOURNMENT

Upon a motion duly made by Director Sullivan, seconded by Director Wright, and, upon vote, unanimously carried, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Secretary for the Meeting

MEMORANDUM OF OIL & GAS LEASE

This Memorandum of an Oil and Gas Lease (this "Memorandum") is made and entered into on the 15th day of Feb. 2023, by and between **Prosper Coordinating Metropolitan District, a quasi-municipal and political subdivision of the State of Colorado**, whose address is 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, hereinafter called Lessor, (whether one or more), and **Crestone Peak Resources Operating, LLC** whose address is 555 17th Street, Suite 3700, Denver, CO 80202, hereinafter called Lessee,; the "Parties."

WHEREAS Lessor, on the same date as set forth above, did grant, lease and let unto Lessee a paid-up Oil and Gas Lease ("Lease") with a 2-year primary term from said date, covering the said lands being situated in Arapahoe County, Colorado, described as follows, to wit:

Township 4 South, Range 64 West

Section 6: A parcel of Land situated in the NE/4 more particularly described as follows:

Beginning at the East 1/4 Corner of said Section 6;

Thence S89°25'56"W along the South Line of said Northeast 1/4 a distance of 41.00 feet;

Thence N00°34'04"W parallel with the East Line of said Northeast 1/4 a distance of 587.57 feet to a point on the Northerly Line of a parcel of land recorded at Reception No. D6045871, Arapahoe County, Colorado Records;

Thence S44°15'37"E along said Northerly Line a distance of 59.35 feet to the Easterly Line of said parcel and the East Line of said Northeast 1/4;

Thence S00°34'04"E along said East Line a distance of 545.28 feet to the Point of Beginning.

Containing 0.5331 acres, more or less

This Memorandum of Oil and Gas Lease is filed in lieu of the original Lease to provide public notice of said Lease, which Lease, which Lease is incorporated herein by reference and is subject to all the terms and provisions set forth therein. Lessor and Lessee both possess an executed original of the Lease. Any party having legal standing to inquire, may request a copy of the Lease from either of those parties.

LESSOR:

Prosper Coordinating Metropolitan District, a quasi-municipal and political subdivision of the State of Colorado

Maribeth W. D'Amico
By: Maribeth W. D'Amico
Title: Pres.

STATE OF COLORADO
COUNTY OF DENVER) ss.

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 15th day of February 2023, by Maribeth W. D'Amico President of Prosper Coordinating Metropolitan District on behalf of the company.

Witness my hand and official seal.

Sandra M. Pschenica
Notary Public in and for the State of Colorado
Commission Expires: _____

SANDRA M PSCHENICA
Notary Public
State of Colorado
Notary ID # 20114056734
My Commission Expires 09-08-2023

PRODUCERS 88-PAID UP

NO SURFACE OCCUPANCY OIL AND GAS LEASE

THIS AGREEMENT is made and entered into on the 15th day of Febr. 2023, by Prosper Coordinating Metropolitan District, a quasi-municipal and political subdivision of the State of Colorado, whose address is 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, hereinafter called Lessor, (whether one or more), and Crestone Peak Resources Operating, LLC., whose address is 555 17th Street, Suite 3700, Denver, CO 80202, hereinafter called Lessee;

WITNESSETH, That the Lessor, for and in consideration of TEN AND MORE DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of drilling, mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, specifically including helium, carbon dioxide, and coalbed methane and any and all substances produced in association therewith from coal-bearing formations, dewatering of coalbed methane, using methods and techniques which are not restricted to current technology, so long as such methods do not require entry on or use of the surface of the Premises, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata, and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, and the injection of air, gas, water, brine, and other fluids into the subsurface strata, to produce, save and take care of said products, all upon that certain tract of land situated in the County of Arapahoe, State of Colorado, described as follows, to-wit:

Township 4 South, Range 64 West

Section 6: A parcel of Land situated in the NE/4 more particularly described as follows:

Beginning at the East 1/4 Corner of said Section 6;

Thence S89°25'56"W along the South Line of said Northeast 1/4 a distance of 41.00 feet;

Thence N00°34'04"W parallel with the East Line of said Northeast 1/4 a distance of 587.57 feet to a point on the Northerly Line of a parcel of land recorded at Reception No. D6045871, Arapahoe County, Colorado Records;

Thence S44°15'37"E along said Northerly Line a distance of 59.35 feet to the Easterly Line of said parcel and the East Line of said Northeast 1/4:

Thence S00°34'04"E along said East Line a distance of 545.28 feet to the Point of Beginning.

Containing 0.5331 acres, more or less (the "Premises");

Lessee may not use, enter on, or occupy the surface or air space of the premises without Lessor's advance written permission, which may be granted or withheld in Lessor's sole and absolute discretion. Lessee shall not install or place any pipelines, roads, gathering lines, flowlines or other appurtenances or equipment on or above the Premises.

In addition to the lands described above, Lessor hereby grants, leases and lets exclusively unto Lessee, to the same extent as if specifically described, lands which are owned or claimed by Lessor by one of the following reasons: (1) all lands and rights acquired or retained by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to Lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of Lessor's ownership of the lands described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to Lessor by virtue of Lessor's ownership of the lands described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by Lessor through adverse possession or other similar statutes of the state in which the lands are located.

1. It is agreed that this Lease shall remain in force for a primary term of two (2) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced in paying quantities from under the Premises or from acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this Lease, oil or gas is not being produced in paying quantities from the Premises or from acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling, re-working, or dewatering operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted from under the Premises or from acreage pooled, communitized or unitized therewith; and such operations shall be considered to be continuously prosecuted if not more than one hundred twenty (120) consecutive days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling, or re-working operations within one hundred twenty (120) days from the date of cessation of production, or from the date of completion of a dry hole on acreage pooled, communitized or unitized with the Premises. If oil or gas shall be discovered and produced as a result of such

operations at or after the expiration of the primary term of this Lease, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. In consideration of the cash down payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this Lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. In consideration of the Premises, Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipeline to which Lessee may connect wells which produce from under the Premises, the equal part 20% of all oil produced and saved from the Premises.

2nd. To pay Lessor as royalty, on gas and the constituents thereof produced from the Premises and sold or used off the Premises or in the manufacture of products therefrom, 20% of the gross proceeds received by Lessee in an arms-length sale of the product sold or used.

It is agreed between the Lessor and Lessee, that: (i) on oil, royalty shall be free of cost to the outlet of Lessee's gathering facilities, after which point Lessor and Lessee shall proportionately bear all reasonable and actual transportation costs to the extent that such costs enhance the value of the said oil, it being the understanding of Lessor and Lessee that such costs are incurred to enhance the value of marketable oil to obtain a better price, and (ii) on gas and constituents thereof, royalty shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the gas and other products and obtaining a marketable product at a market location; however, that any such costs which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be deducted from Lessor's share of production to the extent that such costs enhance the value of said oil, gas and constituent parts so long as they are based on Lessee's actual cost of such enhancements. In the payment of oil or gas royalty, in no event shall Lessor be paid gas royalty based on a price that is less than, or more than, the price received by Lessee in an arm's length sale.

3rd. In calculating royalties on any production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes.

4. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas from lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by Lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in Lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, Lessee shall pay or tender to the Lessor or Lessor's successors or assigns, an amount equal to \$10.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, Lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render Lessee liable for the amount due, but it shall not operate to terminate the lease.

5. If said Lessor owns a less interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas and oil and water produced from under the Premises for Lessee's operations off the Premises.

7. The rights of Lessor and Lessee hereunder may be assigned in whole or part, by area or depth or zone and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in ownership of Lessor's interest (by assignment or otherwise) shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until sixty (60) days after Lessee has been furnished with notice from Lessor and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. In the event of death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of the decedent or the decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons either jointly, or separately in proportion to the interest which each owns. If Lessee transfers a full or undivided interest in all or any portion of the Premises, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and transferee in proportion to the net acreage interest in this Lease then held by each. If Lessee transfers or assigns its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of the Lessee with respect to any interest

not so transferred. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

8. Lessee at its option is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to anyone or more of the formations hereunder to pool, communitize or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's good faith judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formation. The forming or reforming of any unit, pooled area or communitized area shall be accomplished by Lessee executing and filing of record a declaration of such unitization, pooling or communitization or reformation, which declaration shall describe the unit, pooled area or communitized area. Any unit, pooled area, or communitized area may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling, dewatering or reworking operations or a well shut in for want of a market anywhere on a unit, pooled area or communitized area which includes all or a part of this Lease shall be treated as if it were production, drilling, dewatering or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit, area or communitized area, royalties only on the portion of such production allocated to this Lease; such allocation shall be that proportion of the unit, pooled area or communitized area production that the total number of surface acres covered by this Lease and included in the unit, pooled area, or communitized area bears to the total number of surface acres in such unit, pooled area, or communitized area. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the Leased Premises as to one or more of the formations hereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this Lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and particularly, all drilling and development requirements of this Lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this Lease shall not terminate or expire during the life of such plan or agreement. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

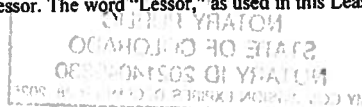
9. Lessee's obligations under this Lease shall be subject to all applicable laws, rules, regulations and orders of any government authority having jurisdiction, including restrictions on the drilling and production of wells, and regulation of the price or transportation of oil, gas or other substance covered hereby. This Lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such law, order, rule or regulation.

10. When drilling, reworking, production or other operations or obligations under this Lease are prevented or delayed by laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services material, water, electricity, fuel, access or easements, or by an act of God, strike, lockout, or other industrial disturbance, act of the public enemy, war, blockade, public riot, lightning, fire, storm, flood or other act of nature, explosion, fracking bans, governmental action, governmental delay, restraint or inaction, or by inability to obtain a satisfactory market for production in Lessee's good faith opinion, or failure of purchasers or carriers to take or transport such production, or by any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within control of the Lessee, this Lease shall not terminate because of such prevention or delay and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any provision or implied covenants of this Lease when drilling, production, or other operations are so prevented or delayed. Lessee shall provide to Lessor written notice within thirty (30) days of the commencement and termination of such prevention and delay, and the reasons, therefore. Lessee shall use reasonable efforts to remove any such prevention or delay. Any failure on Lessee's part to provide Lessor with written notice of the force majeure event within thirty days shall not prevent Lessee's ability to avail itself of this section of the Lease.

11. No litigation shall be initiated by Lessor for damages, forfeiture or cancellation with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default within such time period. In the event the matter is litigated and there is final judicial determination that a breach or default has occurred, this Lease shall not be forfeited or cancelled in whole or in part unless Lessee is given reasonable time, not to exceed ninety (90) days, after said judicial determination to remedy the breach or default and Lessee fails to do so.

12. In the event that this Lessor, during the primary term of this Lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this Lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this Lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered, and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to match the terms of the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. Should any one or more of the parties hereinabove named as Lessor fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease



shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described as to any person claiming by, through, or under Lessor, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein. If Lessee redeems any such lien, Lessee may recover any amount expended out of Lessor royalties or shut-in royalties.

15. Notwithstanding anything herein contained, this Lease is a "No Surface Occupancy" Oil and Gas Lease. It is agreed and understood that Lessee, its successors or assigns shall not conduct any drilling or completion operations or locate any facilities on the surface of the Premises. It is understood that the Lessee, its successors or assigns shall not be allowed any access to the surface of the leased lands without the prior written consent of Lessor, which Lessor may grant or withhold in its sole and absolute discretion. Lessee is granted the right to drill and operate directional or horizontal wells through and under the Premises so long as such drilling and operation does not use, disturb or enter on the surface of the Premises. Lessee shall be liable for any and all damages to the leased lands due to subsidence, collapse or settlement caused by Lessee's operations hereunder. It is also agreed that Lessee shall not install or maintain any roads, pipelines, flowlines or gathering lines on or under the Premises.

16. All operations conducted off the leased premises that are intended to result in the completion of, or restoration of production from, a producing interval on the leased premises or lands pooled or unitized therewith shall be considered operations conducted on the leased premises for purposes of extending and/or maintaining this lease in effect under any other paragraph or provision hereof as used herein.

17. See attached Addendum to Oil and Gas Lease.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Prosper Coordinating Metropolitan District, a quasi-municipal and political subdivision of the State of Colorado

Maubet W. D'Amico

STATE OF COLORADO
COUNTY OF DENVER) ss.

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 15th day of February, 2023, by Maubet W. D'Amico, President of Prosper Coordinating Metropolitan District on behalf of the company.

Witness my hand and official seal.

Sandra M. Pschenica
Notary Public in and for the State of Colorado
Commission Expires: SANDRA M PSCHENICA
Notary Public
State of Colorado
Notary ID # 20114056734
My Commission Expires 09-08-2023

Crestone Peak Resources Operating, LLC

Gabriel Finlay

By: Director - Mineral Land

STATE OF Colorado
COUNTY OF Denver) ss.

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 20th day of February, 2023, by Gabriel Finlay as Director - Mineral Land of Crestone Peak Resources Operating, LLC on behalf of the company.

Witness my hand and official seal.

Mary Yeast
Notary Public in and for the State of Colorado
Commission Expires: 12.28.2025

MARY YEAST
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20214049830
MY COMMISSION EXPIRES DECEMBER 28, 2025

ADDENDUM TO OIL AND GAS LEASE

In the event of conflict between the terms of this Addendum and the Oil and Gas Lease, dated 15th between Prosper Coordinating Metropolitan District, a quasi-municipal and political subdivision of the State of Colorado and Crestone Peak Resources Operating, LLC, the terms of this Addendum will control.

Additional Provisions:

(a) If Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") from under the leased premises or from lands pooled or unitized therewith, or if all production in paying quantities ceases from any cause whatsoever, including a revision of unit boundaries pursuant to a provision of this lease or the action of any governmental authority, then in the event this lease is beyond the primary term, it shall nevertheless remain in force as to the spacing unit for such dry hole or such well which has ceased production in paying quantities if, within ninety (90) days after completion of Operations on such dry hole or cessation of production in paying quantities, Lessee resumes production in paying quantities or commences and continuously pursues further Operations, as defined in (c) below, with no cessation of greater than sixty (60) consecutive days and not to exceed an aggregate of one hundred and twenty days (120) days in a twelve (12) month period, for reworking an existing well or drilling an additional well or for otherwise obtaining or restoring production from under the leased premises or on lands pooled or unitized therewith.

(b) Further, if on the expiration of the primary term, this lease is not otherwise being maintained in force, but Lessee has spud a well to include the Premises or lands pooled therewith, then this lease shall remain in force as to the spacing unit for such well for so long as (i) such Operations are continuously prosecuted with no cessation of Operations of greater than sixty (60) consecutive days and (ii) such well is producing or capable of producing in paying quantities within one (1) year of the spud date, and for so long thereafter as there is production in paying quantities from the spacing unit for such well.

(c) As used in this lease the term "Operations" or "operations" shall mean any activity continuously conducted on lands pooled or unitized with the leased premises, that is customary and reasonably calculated to obtain or restore production, including without limitation, (i) constructing a well pad; (ii) drilling; (iii) completing, reworking, plugging back, deepening, treating, stimulating, refitting, installing any artificial lift or production enhancement equipment or technique (or acts preparatory to such operations that are actually conducted on lands pooled or unitized with the leased premises) and (iv) constructing or repairing facilities to enable production, treatment, transportation and marketing of substances produced from the lease premises or from lands pooled or unitized therewith.

(d) Lessee agrees to provide Lessor, at Lessor's written request, but no more frequently than the payment period provided for royalties under this lease, information related to the volumes and prices of oil and gas produced and sold from the lands to which this lease relates, for which Lessor is being paid for the most recent period and for any other previous periods with five (5) years from the date of production for which Lessee has not already provided such information. Lessee's records as to production, sales, prices and payments pursuant to this lease shall be available to Lessor and its authorized agents. At Lessor's expense, Lessor shall have the right to audit the records, books and other accounting documentation related to payment of all amounts due pursuant to this lease after first giving written notice to Lessee of its desire to do so. Any such audit shall take place at times and locations convenient to Lessee and Lessee shall utilize its best efforts to accommodate Lessor's written request for information relevant to such audit. All information provided hereunder shall remain strictly confidential and shall not be disclosed by Lessor without the prior written consent of Lessee.

(e) Lessee agrees to comply with all applicable local, state and federal laws and regulations governing the operations of the Lessee.

(f) Notwithstanding any other provision of this lease, at the expiration of the primary term, or extended primary term if applicable, this lease shall automatically terminate and expire as to all lands and formations that are subject to this lease which are located outside the boundaries of a spacing unit prescribed or permitted by the Colorado Oil and Gas Conservation Commission upon which there is a producing well, or a well capable of producing in paying quantities which is shut-in for the reasons stated in this lease, or for which Operations are being conducted pursuant to Paragraph (a), or for which a well has been spud and Operations continuously prosecuted as provided in Paragraph (b). Lessee shall file a release of such portions of the leased premises in the Arapahoe County records within thirty (30) days of any such termination.

(h) Lessee agrees to use commercially reasonable efforts to explore, develop and market the oil or gas produced from the leased premises or lands pooled therewith to the mutual economic benefit of the Lessor and Lessee hereunder, and to operate as a reasonable and prudent operator on all the oil and gas wells drilled and completed and all of the facilities installed by Lessor on lands pooled with the leased premises.

(i) If some or all of the Premises are unitized pursuant to Paragraph 8 hereof and a portion the lands covered by this lease are committed to a unit area and a portion of the lands covered by this lease are outside of such unit area, this lease shall be vertically segregated into separate leases, one covering all formations underlying the lands within such unit area and the other covering all formations underlying the lands outside such unit area, such segregation be effective as of the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the effective date of unitization; provided, however, that the segregated lease as to the outside lands shall continue in force and effect for the primary term thereof, but not for less than two (2) years from the date of such segregation and so long thereafter as operations are conducted under the provisions of this lease. The provisions of this paragraph shall survive any unitization of this lease, notwithstanding the provisions of any unit agreement to the contrary.

(j) Lessee will indemnify and hold Lessor, its officers, directors, employees, agents, successors and assigns (hereafter collectively referred to as "Indemnified Parties") harmless from any and all claims, demands, suits, losses, damages, and costs (including, without limitation, any attorney fees) incurred by the Indemnified Parties which may be asserted against the Indemnified Parties by reason of or which may arise out of or which may be related to Lessee's activities or Operations from under the Premises (including, without limitation, any claims by any owners or lessees of minerals that Lessee's operations hereunder are either illegal, unauthorized, or constitute an improper interference with their rights). This indemnity specifically includes any claim of whatever nature which may be asserted by reason of, or which may arise out of or which may be related to the completion or fracturing or refracturing of any well drilled by Lessee on lands pooled or unitized with the Premises and shall survive the termination of this lease.

ORDER OF PAYMENT

Date: January 20, 2023

Crestone Peak Resources Operating, LLC, (hereinafter Crestone), will tender payment to the Lessor identified in the Paid-Up Lease ("Lease") as indicated herein by check within 30 days of Crestone's receipt of the original executed Order of Payment and the original executed Lease. Payment is conditioned upon title to the property interests leased being confirmed acceptable to Crestone, in its sole discretion. A title defect is a basis to render title unacceptable and shall include, but shall not be limited to, a prior unsubordinated mortgage, unreleased lease, or delinquent property taxes. Payment may be tendered by mail or any comparable method (e.g., Federal Express), and payment is deemed complete upon mailing or dispatch. Where the due date for any payment specified herein falls on a holiday, Saturday or Sunday, payment tendered (mailed or dispatched) on the next business day is timely. Lessor shall retain a copy of this Order of Payment. No default for non-payment may be claimed by Lessor during said 30-day period.

If Lessor owns more or less than the net interest defined herein, Crestone may, upon immediate notice to Lessor with opportunity to respond, increase or reduce the consideration payable hereunder proportionate to the actual interest owned by Lessor, or render title unacceptable at its sole discretion.

Crestone retains the right to surrender the Lease associated with the Order of Payment at any time and for any reason. If the Lease is surrendered before payment is due under this Order of Payment, the Lessor may retain any consideration paid at the time of signing the Lease, but Lessor is not entitled to any additional amount. If the Lease has not been surrendered or payment made by the specified due date, then Lessor shall notify Lessee in writing and Lessee shall have 30 days from receipt of such written notice to make payment or surrender the Lease without any liability.

Lessor acknowledges and agrees that the Lease is a valid and binding agreement, subject to the terms and conditions contained herein. Lessor represents he/she has a full understanding of the risks involved in leasing property for oil and gas development and that Lessor has read and understands the terms and provisions of the Lease and this Order of Payment. Lessor agrees this is an arm's length transaction entered into as a result of his/her own free act and will and Crestone or anyone acting on its behalf has made no representations of value or exerted any duress or coercion. Lessor agrees that payment made hereunder is final and will not seek to amend or modify the payment, or seek additional consideration based upon any differing terms which Crestone has or will negotiate with any other lessor/oil and gas owner. Non-acceptance by Lessor of timely payment shall not serve to void the Lease. Lessee acknowledges and agrees that the Lease shall be recorded with the associated Addendum, neither of which shall be recorded until payment issues to Lessor.

PAY TO: **Prosper Coordinating Metropolitan District, a quasi-municipal and political subdivision of the State of Colorado**
 8390 E. Crescent Parkway, Suite 300
 Greenwood Village, CO 80111

in the amount of One Thousand Eight-hundred and Sixty-six dollars and 50 cents

STATE CO	COUNTY Arapahoe	SURVEY/ABSTRACT
PROSPECT/PROJECT NAME Prosper Farms 2-1-6 0.533 nma		BONUS \$1,865.85
LEASE NUMBER	<input checked="" type="checkbox"/> New	<input type="checkbox"/> Renewal

This payment is for Bonus Consideration for Oil & Gas Lease which covers property described as follows:

Township 4 South, Range 64 West

Section 6: See meets and bounds in lease

Gross Acres: .5331 Net Acres: 0.5331
Prosper Coordinating Metropolitan District

Landowner's signature: *By: Maribeth W. D'Amico*
 Maribeth W. D'Amico, President

Forward to:

Prosper Coordinating Metropolitan District

Check List

All Bank Accounts

October 21, 2022 - June 23, 2023

Check Number	Check Date	Payee	Amount
Vendor Checks			
ACH	12/09/22	Xcel Energy	97.51
ACH	02/28/23	Xcel Energy	48.80
ACH	03/27/23	Xcel Energy	48.87
ACH	04/06/23	Xcel Energy	50.39
ACH	05/04/23	Xcel Energy	50.39
Bill.com Checks	11/25/22	CliftonLarsonAllen, LLP	7,237.39
Bill.com Checks	11/25/22	CO Special Dist. Prop & Liab. Pool	15,170.00
Bill.com Checks	11/25/22	CORE Consultants, Inc.	5,952.50
Bill.com Checks	11/25/22	McGeady Becher P.C.	1,567.50
Bill.com Checks	11/25/22	T. Charles Wilson Insurance Service	495.00
Bill.com Checks	11/25/22	Vogel & Associates, LLC	1,140.00
Bill.com Checks	12/09/22	Vogel & Associates, LLC	870.00
Bill.com Checks	12/09/22	McGeady Becher P.C.	4,158.70
Bill.com Checks	12/09/22	HRS Water Consultants, Inc.	180.00
Bill.com Checks	12/09/22	Dewberry Engineers Inc.	14,195.34
Bill.com Checks	12/09/22	CliftonLarsonAllen, LLP	7,218.49
Bill.com Checks	12/27/22	The Villager Legals	65.08
Bill.com Checks	12/27/22	Otten Johnson Robinson Neff & Ragonetti, P.C.	1,543.50
Bill.com Checks	12/28/22	Vogel & Associates, LLC	690.00
Bill.com Checks	12/28/22	McGeady Becher P.C.	1,773.20
Bill.com Checks	12/28/22	IDES,LLC	565.00
Bill.com Checks	12/28/22	CORE Consultants, Inc.	2,340.01
Bill.com Checks	12/28/22	CliftonLarsonAllen, LLP	4,432.32
Bill.com Checks	12/28/22	Arapahoe County Public Works & Development	875.00
Bill.com Checks	02/17/23	Vogel & Associates, LLC	780.00
Bill.com Checks	02/17/23	Visser Precision	15,000.00
Bill.com Checks	02/17/23	McGeady Becher P.C.	894.03
Bill.com Checks	02/17/23	J. R. Filanc Construction Company	32,133.00
Bill.com Checks	02/17/23	HRS Water Consultants, Inc.	1,598.08
Bill.com Checks	02/17/23	CORE Consultants, Inc.	1,710.02
Bill.com Checks	02/17/23	CliftonLarsonAllen, LLP	4,479.30
Bill.com Checks	03/15/23	Otten Johnson Robinson Neff & Ragonetti, P.C.	4,059.00
Bill.com Checks	03/27/23	Vogel & Associates, LLC	680.00
Bill.com Checks	03/27/23	T. Charles Wilson Insurance Service	495.00
Bill.com Checks	03/27/23	Special District Association of Colorado	2,975.34
Bill.com Checks	03/27/23	McGeady Becher P.C.	3,999.74
Bill.com Checks	03/27/23	HRS Water Consultants, Inc.	2,024.50
Bill.com Checks	03/27/23	Haynie & Company, Inc.	11,500.00
Bill.com Checks	03/27/23	Dewberry Engineers Inc.	18,725.75
Bill.com Checks	04/05/23	McGeady Becher P.C.	1,748.46
Bill.com Checks	04/05/23	HRS Water Consultants, Inc.	730.00
Bill.com Checks	04/05/23	Dewberry Engineers Inc.	8,677.25
Bill.com Checks	04/05/23	CliftonLarsonAllen, LLP	9,914.51
Bill.com Checks	05/04/23	CliftonLarsonAllen, LLP	3,118.77
Bill.com Checks	05/04/23	Dewberry Engineers Inc.	4,371.00
Bill.com Checks	05/04/23	HRS Water Consultants, Inc.	1,040.00
Bill.com Checks	05/04/23	McGeady Becher P.C.	3,564.65
Bill.com Checks	05/04/23	Otten Johnson Robinson Neff & Ragonetti, P.C.	11,033.50
Bill.com Checks	05/04/23	Vogel & Associates, LLC	1,830.00
Bill.com Checks	06/23/23	CliftonLarsonAllen, LLP	1,438.51
Bill.com Checks	06/23/23	Dewberry Engineers Inc.	2,979.50
Bill.com Checks	06/23/23	McGeady Becher P.C.	839.47
Bill.com Checks	06/23/23	Otten Johnson Robinson Neff & Ragonetti, P.C.	5,649.00
Bill.com Checks	06/23/23	Vogel & Associates, LLC	420.00
Vendor Check Total			229,173.37
Check List Total			229,173.37

PROSPER COORDINATING METROPOLITAN DISTRICT
FINANCIAL STATEMENTS
APRIL 30, 2023

**Prosper Coordinating Metro District
Balance Sheet - Governmental Funds
April 30, 2023**

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Assets			
Checking Account	\$ 550,999.21	\$ 32,014.50	\$ 583,013.71
Due from Other Districts	1,075,720.00	-	1,075,720.00
Total Assets	<u>\$ 1,626,719.21</u>	<u>\$ 32,014.50</u>	<u>\$ 1,658,733.71</u>
Liabilities			
Accounts Payable	\$ 13,119.71	\$ 32,014.50	\$ 45,134.21
Total Liabilities	<u>13,119.71</u>	<u>32,014.50</u>	<u>45,134.21</u>
Fund Balances	<u>1,613,599.50</u>	-	<u>1,613,599.50</u>
Liabilities and Fund Balances	<u>\$ 1,626,719.21</u>	<u>\$ 32,014.50</u>	<u>\$ 1,658,733.71</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Prosper Coordinating Metro District
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending April 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest income	\$ 50.00	\$ 232.89	\$ (182.89)
Other revenue	620.00	1,865.85	(1,245.85)
Transfers from Prosper Metro No. 3	5,441.00	1,944.45	3,496.55
Transfers from Prosper Metro No. 4	879,524.00	843,949.48	35,574.52
Transfers from Prosper W&SFD	260,865.00	248,255.05	12,609.95
Total Revenue	<u>1,146,500.00</u>	<u>1,096,247.72</u>	<u>50,252.28</u>
Expenditures			
Accounting	64,000.00	9,808.20	54,191.80
Auditing	11,500.00	-	11,500.00
Dues and membership	3,400.00	2,975.34	424.66
Insurance	25,000.00	18,410.00	6,590.00
District management	35,000.00	4,663.59	30,336.41
Legal	65,000.00	6,429.74	58,570.26
Miscellaneous	1,000.00	63.91	936.09
Election	-	3,722.58	(3,722.58)
Utilities	5,000.00	198.57	4,801.43
Contingency	8,600.00	-	8,600.00
Total Expenditures	<u>218,500.00</u>	<u>46,271.93</u>	<u>172,228.07</u>
Other Financing Sources (Uses)			
Transfers to other fund	(928,000.00)	(48,185.10)	(879,814.90)
Total Other Financing Sources (Uses)	<u>(928,000.00)</u>	<u>(48,185.10)</u>	<u>(879,814.90)</u>
Net Change in Fund Balances	-	1,001,790.69	(1,001,790.69)
Fund Balance - Beginning	100,000.00	611,808.81	(511,808.81)
Fund Balance - Ending	<u>\$ 100,000.00</u>	<u>\$ 1,613,599.50</u>	<u>\$ (1,513,599.50)</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

Prosper Coordinating Metro District
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending April 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Legal	-	25,434.00	(25,434.00)
Consulting	-	3,794.50	(3,794.50)
Storage	30,000.00	-	30,000.00
Engineering	-	2,930.00	(2,930.00)
Design Costs WWTP	14,375,000.00	16,027.75	14,358,972.25
WWTP Planning and Engineering	150,000.00	-	150,000.00
Total Expenditures	<u>14,555,000.00</u>	<u>48,186.25</u>	<u>14,506,813.75</u>
Other Financing Sources (Uses)			
Transfers from other funds	928,000.00	48,185.10	879,814.90
Developer advance	13,111,000.00	-	13,111,000.00
Total Other Financing Sources (Uses)	<u>14,039,000.00</u>	<u>48,185.10</u>	<u>13,990,814.90</u>
Net Change in Fund Balances	(516,000.00)	(1.15)	(515,998.85)
Fund Balance - Beginning	516,000.00	1.15	515,998.85
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

PROSPER COORDINATING METROPOLITAN DISTRICT
Schedule of Cash Position
April 30, 2023
Updated as of June 23, 2023

	General Fund	Capital Projects Fund	Total
<u>US Bank - checking</u>			
Balance as of 04/30/23	\$ 550,999.21	\$ 32,014.50	\$ 583,013.71
Subsequent activities:			
05/04/23 - Vouchers paid - Xcel	(50.39)	-	(50.39)
05/04/23 - Bill.com payment	(6,683.42)	(18,274.50)	(24,957.92)
05/09/23 - Prosper No. 3 April ptax	1,654.36	-	1,654.36
05/09/23 - Prosper No. 4 April ptax	830,004.72	-	830,004.72
05/09/23 - Prosper W&SFD April ptax	244,060.92	-	244,060.92
05/31/23 - Interest income	173.08	-	173.08
06/09/23 - Prosper No. 3 May ptax	3,327.37	-	3,327.37
06/09/23 - Prosper No. 4 May ptax	5,450.07	-	5,450.07
06/09/23 - Prosper W&SFD May ptax	3,705.54	-	3,705.54
06/23/23 - Bill.com payment	(2,277.98)	(9,048.50)	(11,326.48)
Anticipated Bank Balance	1,630,363.48	4,691.50	1,635,054.98
<i>Anticipated activities:</i>			
<i>Anticipated Vouchers Payable - bill.com</i>	(3,644.51)	(26,007.62)	(29,652.13)
<i>Anticipated transfer between funds</i>	(21,316.12)	21,316.12	-
<i>Anticipated balance</i>	<u>1,605,402.85</u>	<u>-</u>	<u>1,605,402.85</u>
<i>Total Anticipated Balance</i>	<u>\$ 1,605,402.85</u>	<u>-</u>	<u>\$ 1,605,402.85</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

**PROSPER METROPOLITAN DISTRICT NO. 3
Property Taxes Reconciliation
2023**

	Current Year										Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received			
								Monthly	Y-T-D		Monthly	Y-T-D		
Beg Balance														
January	\$ -	\$ -	\$ 26.25	\$ -	\$ -	\$ -	\$ 26.25	0.00%	0.00%	8.85	0.00%	0.00%		
February	206.99	-	26.58	-	(3.10)	-	230.47	3.98%	3.98%	1,455.31	81.96%	81.96%		
March	-	-	33.37	-	-	-	33.37	0.00%	3.98%	10.10	0.00%	81.96%		
April	1,652.35	-	26.80	-	(24.79)	-	1,654.36	31.73%	35.71%	326.96	18.05%	100.01%		
May							-	0.00%	35.71%	8.33	0.00%	100.01%		
June							-	0.00%	35.71%	8.94	0.00%	100.01%		
July							-	0.00%	35.71%	8.78	0.00%	100.01%		
August							-	0.00%	35.71%	11.52	0.00%	100.01%		
September							-	0.00%	35.71%	9.69	0.00%	100.01%		
October							-	0.00%	35.71%	9.26	0.00%	100.01%		
November							-	0.00%	35.71%	10.32	0.00%	100.01%		
December							-	0.00%	35.71%	8.35	0.00%	100.01%		
Total	\$ 1,859.34	\$ -	\$ 113.00	\$ -	\$ (27.89)	\$ -	\$ 1,944.45	35.71%	35.71%	\$ 1,876.41	100.01%	100.01%		

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
--------------	-------------	--------------------------	------------------------------

Property Tax

General Fund	\$ 5,207.00	100.00%	\$ 1,859.34	35.71%
	<u>\$ 5,207.00</u>	<u>100.00%</u>	<u>\$ 1,859.34</u>	<u>35.71%</u>

Specific Ownership Tax

General Fund	\$ 312.00	100.00%	\$ 113.00	36.22%
	<u>\$ 312.00</u>	<u>100.00%</u>	<u>\$ 113.00</u>	<u>36.22%</u>

Treasurer's Fees

General Fund	\$ 78.00	100.00%	\$ 27.89	35.76%
	<u>\$ 78.00</u>	<u>100.00%</u>	<u>\$ 27.89</u>	<u>35.76%</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

**PROSPER METROPOLITAN DISTRICT NO. 4
Property Taxes Reconciliation
2023**

	Current Year								Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
								Monthly	Y-T-D		Monthly	Y-T-D	
Beg Balance													
January	\$ -	\$ -	\$ 4,243.11	\$ -	\$ -	\$ -	\$ 4,243.11	0.00%	0.00%	3,155.27	0.00%	0.00%	
February	-	-	4,297.25	-	-	-	4,297.25	0.00%	0.00%	7,335.58	0.59%	0.59%	
March	10.85	-	5,393.71	-	(0.16)	-	5,404.40	0.00%	0.00%	315,094.91	49.56%	50.15%	
April	838,245.87	-	4,332.54	-	(12,573.69)	-	830,004.72	99.60%	99.60%	3,096.67	0.00%	50.16%	
May							-	0.00%	99.60%	4,745.72	0.28%	50.44%	
June							-	0.00%	99.60%	314,672.40	49.56%	100.00%	
July							-	0.00%	99.60%	3,130.20	0.00%	100.00%	
August							-	0.00%	99.60%	4,104.72	0.00%	100.00%	
September							-	0.00%	99.60%	3,452.12	0.00%	100.00%	
October							-	0.00%	99.60%	3,298.58	0.00%	100.00%	
November							-	0.00%	99.60%	3,679.59	0.00%	100.00%	
December							-	0.00%	99.60%	2,974.77	0.00%	100.00%	
Total	\$ 838,256.72	\$ -	\$ 18,266.61	\$ -	\$ (12,573.85)	\$ -	\$ 843,949.48	99.60%	99.60%	\$ 668,740.53	100.00%	100.00%	

Taxes Levied	% of Levied	Property Taxes Collected	
--------------	-------------	--------------------------	--

Property Tax

General Fund	\$ 841,650.00	100.00%	\$ 838,256.72	99.60%
	\$ 841,650.00	100.00%	\$ 838,256.72	99.60%

Specific Ownership Tax

General Fund	\$ 50,499.00	100.00%	\$ 18,266.61	36.17%
	\$ 50,499.00	100.00%	\$ 18,266.61	36.17%

Treasurer's Fees

General Fund	\$ 12,625.00	100.00%	\$ 12,573.85	99.59%
	\$ 12,625.00	100.00%	\$ 12,573.85	99.59%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
Property Taxes Reconciliation
2023

	Current Year								Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
								Monthly	Y-T-D		Monthly	Y-T-D	
Beg Balance													
January	\$ -	\$ -	\$ 1,258.50	\$ -	\$ -	\$ -	\$ 1,258.50	0.00%	0.00%	939.47	0.00%	0.00%	
February	59.14	-	1,274.56	-	(0.89)	-	1,332.81	0.02%	0.02%	9,460.89	4.48%	4.48%	
March	3.10	-	1,599.77	-	(0.05)	-	1,602.82	0.00%	0.02%	90,070.42	47.56%	52.04%	
April	246,473.00	-	1,285.02	-	(3,697.10)	-	244,060.92	98.73%	98.76%	1,085.94	0.09%	52.13%	
May							-	0.00%	98.76%	1,467.89	0.31%	52.44%	
June							-	0.00%	98.76%	89,944.76	47.56%	99.99%	
July							-	0.00%	98.76%	932.01	0.00%	99.99%	
August							-	0.00%	98.76%	1,222.16	0.00%	99.99%	
September							-	0.00%	98.76%	1,027.86	0.00%	99.99%	
October							-	0.00%	98.76%	982.14	0.00%	99.99%	
November							-	0.00%	98.76%	1,095.58	0.00%	99.99%	
December							-	0.00%	98.76%	885.72	0.00%	99.99%	
	\$ 246,535.24	\$ -	\$ 5,417.85	\$ -	\$ (3,698.04)	\$ -	\$ 248,255.05	98.76%	98.76%	\$ 199,114.84	100.00%	100.00%	

Taxes Levied	% of Levied	Property Taxes Collected	
--------------	-------------	--------------------------	--

Property Tax

General Fund	\$ 249,632.00	100.00%	\$ 246,535.24	98.76%
	\$ 249,632.00	100.00%	\$ 246,535.24	98.76%

Specific Ownership Tax

General Fund	\$ 14,978.00	100.00%	\$ 5,417.85	36.17%
	\$ 14,978.00	100.00%	\$ 5,417.85	36.17%

Treasurer's Fees

General Fund	\$ 3,745.00	100.00%	\$ 3,698.04	98.75%
	\$ 3,745.00	100.00%	\$ 3,698.04	98.75%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

**PROSPER COORDINATING METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Coordinating Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 18, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, 3 and 4. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

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 budget, the amount and timing of any debt issuances is not determinable.

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 that 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

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical information.

Developer Advances

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to 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 and other legally available revenue.

Intergovernmental Revenue - Transfers from Other Districts

The District anticipates the collection of taxes in Districts Nos. 3, 4, and the Water & Sanitation Financing District, which will be transferred to fund operations expenditures of the District. The District will coordinate the payment of operations and administrative expenditures for these three districts, as well as the District's own administrative expenditures.

**PROSPER COORDINATING METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

Capital Outlay

Anticipated capital expenditures for 2023 are displayed on the Capital Projects Fund page of the budget.

Debts and Leases

The District has no debt nor any capital and operating lease.

Reserves

Emergency Reserve

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

**PROSPER COORDINATING METROPOLITAN DISTRICT
Arapahoe County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

**PROSPER COORDINATING METROPOLITAN DISTRICT
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	19

INSERT INDEPENDENT AUDITOR'S REPORT

BASIC FINANCIAL STATEMENTS

**PROSPER COORDINATING METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 584,906
Cash and Investments - Restricted	96,047
Due from Other Districts	3,869
Prepaid Insurance	17,915
Capital Assets Not Being Depreciated:	
Construction in Progress	6,644,849
Total Assets	7,347,586
LIABILITIES	
Accounts Payable	84,429
Noncurrent Liabilities:	
Due in More Than One Year	4,670,991
Total Liabilities	4,755,420
NET POSITION	
Restricted For:	
Emergency Reserves	26,100
Unrestricted	2,566,066
Total Net Position	\$ 2,592,166

See accompanying Notes to Basic Financial Statements.

(1)

DRAFT. NO ASSURANCE PROVIDED ON THESE FINANCIAL STATEMENTS.

**PROSPER COORDINATING METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

FUNCTIONS/PROGRAMS	<u>Expenses</u>	<u>Program Revenues</u>		<u>Governmental Activities</u>	Net Revenue (Expense) and Change in Net Position
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Primary Government:					
Government Activities:					
General Government	\$ 160,664	\$ -	\$ 869,732	\$ -	\$ 709,068
Interest and Related Costs on Long-Term Debt	<u>294,926</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(294,926)</u>
Total Governmental Activities	<u><u>\$ 455,590</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 869,732</u></u>	<u><u>\$ -</u></u>	414,142
GENERAL REVENUES					
Interest Income					<u>83</u>
Total General Revenues					<u>83</u>
CHANGE IN NET POSITION					
Net Position - Beginning of Year					<u>2,177,941</u>
NET POSITION - END OF YEAR					
					<u><u>\$ 2,592,166</u></u>

See accompanying Notes to Basic Financial Statements.

(2)

DRAFT. NO ASSURANCE PROVIDED ON THESE FINANCIAL STATEMENTS.

**PROSPER COORDINATING METROPOLITAN DISTRICT
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Capital Projects	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 584,906	\$ -	\$ 584,906
Cash and Investments - Restricted	26,100	69,947	96,047
Due from Other Districts	3,869	-	3,869
Prepaid Insurance	17,915	-	17,915
	<u>\$ 632,790</u>	<u>\$ 69,947</u>	<u>\$ 702,737</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 14,482	\$ 69,947	\$ 84,429
Total Liabilities	<u>14,482</u>	<u>69,947</u>	<u>84,429</u>
FUND BALANCES			
Nonspendable for:			
Prepaid Expenses	17,915	-	17,915
Restricted for:			
Emergency Reserve	26,100	-	26,100
Unrestricted	574,293	-	574,293
Total Fund Balances	<u>618,308</u>	<u>-</u>	<u>618,308</u>
Total Liabilities and Fund Balances	<u>\$ 632,790</u>	<u>\$ 69,947</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 report in the funds.		
Construction in Progress		6,644,849
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
Developer Advance Payable		(3,686,563)
Developer Advance Interest Payable		(984,428)
		<u>(4,671,031)</u>
Net Position of Governmental Activities		<u>\$ 2,592,166</u>

See accompanying Notes to Basic Financial Statements.

**PROSPER COORDINATING METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	General	Capital Projects	Total Governmental Funds
REVENUES			
Interest Income	\$ 83	\$ -	\$ 83
Transfer from Prosper Metro No. 3	1,876	-	1,876
Transfer from Prosper Metro No. 4	668,741	-	668,741
Transfer from Prosper W&SFD	199,115	-	199,115
Total Revenues	<u>869,815</u>	<u>-</u>	<u>869,815</u>
EXPENDITURES			
Accounting	35,936	-	35,936
Auditing	5,000	-	5,000
District Management	20,722	-	20,722
Dues and Licenses	3,157	-	3,157
Election Expense	3,722	-	3,722
Insurance and Bonds	20,540	-	20,540
Legal Services	31,233	9,188	40,421
Miscellaneous	613	-	613
Utilities	553	-	553
Consulting	-	25,874	25,874
Design Costs WWTP	-	93,192	93,192
Engineering	-	31,878	31,878
Storage	-	30,000	30,000
Total Expenditures	<u>121,476</u>	<u>190,132</u>	<u>311,608</u>
OTHER FINANCING SOURCES (USES)			
Transfer from (to) Other Funds	<u>(190,132)</u>	<u>190,132</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(190,132)</u>	<u>190,132</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	558,207	-	558,207
Fund Balances Beginning of Year	<u>60,101</u>	<u>-</u>	<u>60,101</u>
FUND BALANCES - END OF YEAR	<u>\$ 618,308</u>	<u>\$ -</u>	<u>\$ 618,308</u>

See accompanying Notes to Basic Financial Statements.

(4)

DRAFT. NO ASSURANCE PROVIDED ON THESE FINANCIAL STATEMENTS.

**PROSPER COORDINATING METROPOLITAN DISTRICT
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	\$	558,207
Amounts reported for governmental activities in the statement of activities are different because:		
<p>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/amortization expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, net of depreciation/amortization, in the current period.</p>		
Expenditures for Capital Assets		150,944
<p>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.</p>		
Interest on Developer Advance		<u>(294,926)</u>
Changes in Net Position of Governmental Activities	\$	<u><u>414,225</u></u>

See accompanying Notes to Basic Financial Statements.

(5)

DRAFT. NO ASSURANCE PROVIDED ON THESE FINANCIAL STATEMENTS.

**PROSPER COORDINATING METROPOLITAN DISTRICT
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			
Transfer from Prosper Metro No. 3	\$ 1,888	\$ 1,876	\$ (12)
Transfer from Prosper Metro No. 4	673,123	668,741	(4,382)
Transfer from Prosper W&SFD	200,419	199,115	(1,304)
Interest Income	50	83	33
Other Revenue	520	-	(520)
Total Revenues	<u>876,000</u>	<u>869,815</u>	<u>(6,185)</u>
EXPENDITURES			
Accounting	64,000	35,936	28,064
Auditing	11,500	5,000	6,500
District Management	35,000	20,722	14,278
Dues and Licenses	3,100	3,157	(57)
Election Expense	3,000	3,722	(722)
Insurance and Bonds	25,000	20,540	4,460
Legal Services	65,000	31,233	33,767
Miscellaneous	1,000	613	387
Utilities	5,000	553	4,447
Contingency	7,400	-	7,400
Total Expenditures	<u>220,000</u>	<u>121,476</u>	<u>98,524</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	656,000	748,339	92,339
OTHER FINANCING SOURCES (USES)			
Repay Developer Advance	(621,000)	-	621,000
Transfers from (to) Other Funds	(35,000)	(190,132)	(155,132)
Total Expenditures	<u>(656,000)</u>	<u>(190,132)</u>	<u>465,868</u>
NET CHANGE IN FUND BALANCE	-	558,207	558,207
Fund Balance - Beginning of Year	<u>100,000</u>	<u>60,101</u>	<u>(39,899)</u>
FUND BALANCE - END OF YEAR	<u>\$ 100,000</u>	<u>\$ 618,308</u>	<u>\$ 518,308</u>

See accompanying Notes to Basic Financial Statements.

**PROSPER COORDINATING METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 DEFINITION OF REPORTING ENTITY

Prosper Coordinating Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado was organized by an Order and Decree of the Arapahoe County District Court issued on June 18, 2015 (recorded on June 23, 2015) and governed pursuant to provisions of the Colorado Special District Act, Title 32, Article 1, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District, and Prosper Metropolitan Districts Nos. 1, 2, 3, and 4, and Prosper Metropolitan District Nos. 5, 6, 7, 8, 9, and 10 were later organized on February 09, 2021 (the Districts). The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services. It is anticipated that the District will enter into one or more facilities funding and construction agreements with the Districts in order to provide for the allocation of construction costs and funding responsibilities as development occurs within the Districts.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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.

**PROSPER COORDINATING METROPOLITAN DISTRICT
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 and intergovernmental revenues. 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 Capital Projects Fund is used to account for financial resources to be used for the maintenance or acquisition and construction of recreational facilities.

**PROSPER COORDINATING METROPOLITAN DISTRICT
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 or investment 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.

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.

**PROSPER COORDINATING METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

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	\$ 584,906
Cash and Investments - Restricted	96,047
Total Cash and Investments	<u>\$ 680,953</u>

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.

**PROSPER COORDINATING METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued)

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 \$680,953.

Investments

The District has adopted an investment policy by which it follows state statutes regarding investments.

The District generally limits its concentration of investments to those 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

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

**PROSPER COORDINATING METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 CAPITAL ASSETS

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

	Balance - December 31, 2021	Increases	Decreases	Balance - December 31, 2022
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 6,493,905	\$ 150,944	\$ -	\$ 6,644,849
Total Capital Assets, Not Being Depreciated	<u>\$ 6,493,905</u>	<u>\$ 150,944</u>	<u>\$ -</u>	<u>\$ 6,644,849</u>

Upon completion and acceptance, a significant portion of capital assets will be conveyed by the District to other local governments. The District will not be responsible for the maintenance of those assets. Upon acceptance of the improvements, the District will remove the cost of construction for its capital assets.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the 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
Developer Advances - Capital	\$ 3,686,563	\$ -	\$ -	\$ 3,686,563
Developer Advance - Interest - Capital	689,502	294,926	-	984,428
Total	<u>\$ 4,376,065</u>	<u>\$ 294,926</u>	<u>\$ -</u>	<u>\$ 4,670,991</u>

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

Developer Advances

The District has entered into a series of Operation Funding Agreements and Facilities Funding and Acquisition Agreements with VREI, Inc. These agreements are disclosed further in Note 7.

**PROSPER COORDINATING METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 03, 2015 the District's voters authorized the issuance of the indebtedness in an amount not to exceed \$13,004,160,000. At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 3, 2015	Authorized But Unissued
Street Improvements	\$ 1,000,320,000	\$ 1,000,320,000
Parks and Recreation	1,000,320,000	1,000,320,000
Water	1,000,320,000	1,000,320,000
Sanitation	1,000,320,000	1,000,320,000
Transportation	1,000,320,000	1,000,320,000
Mosquito Control	1,000,320,000	1,000,320,000
Traffic Safety Protection	1,000,320,000	1,000,320,000
Fire Protection	1,000,320,000	1,000,320,000
Television Relay	1,000,320,000	1,000,320,000
Security Services	1,000,320,000	1,000,320,000
O&M Expenses	1,000,320,000	1,000,320,000
Refunding	1,000,320,000	1,000,320,000
Intergovernmental Agreements	1,000,320,000	1,000,320,000
Total	<u>\$ 13,004,160,000</u>	<u>\$ 13,004,160,000</u>

Pursuant to the Service Plan, the District is permitted to issue bonded indebtedness of up to \$1,000,320,000.

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.

NOTE 6 NET POSITION

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

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	<u>\$ 26,100</u>
Total Restricted Net Position	<u>\$ 26,100</u>

**PROSPER COORDINATING METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 AGREEMENTS

Memorandum of Understanding

On April 26, 2021, the District entered into an Amended and Restated Memorandum of Understanding (MOU) with Prosper Metropolitan District Nos. 1-10, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing District, and Prosper Regional Water & Sanitation Services Metropolitan District (the Districts) whereby the District and the Districts set forth their intention to enter into one or more Facilities Funding and Construction Agreements (FFCO Agreements) in order to provide for allocation of construction costs and funding responsibilities as development occurs with the Districts. Pursuant to the MOU, the District and the Districts agree that, until such time as they enter into one or more FFCO Agreements, the District will provide for the construction, administration, and operation and maintenance of improvements for the benefit of the Districts. The anticipated FFCO Agreements will provide procedures by which the Districts will reimburse the District for their allocable share of costs incurred by the District pursuant to the MOU. The MOU anticipates that certain of the Districts may elect to be inactive in any one or more of the years the MOU is in effect and sets forth certain requirements for such inactive Districts.

Agreements with Prosper Farm Investments, LLC

2015 Operation Funding Agreement

On December 8, 2015, with an effective date of June 23, 2015, the District entered into a 2015 Operation Funding Agreement with Prosper Farms Investments, LLC (Landowner) pursuant to which the Landowner agrees to advance funds to the District for certain operation and maintenance expenses on a periodic basis as needed for fiscal year 2015 (2015 OFA). The maximum amount to be advanced for operations and maintenance expenses pursuant to this agreement is One Hundred Thousand Dollars (\$100,000). The District agrees to repay these advances pursuant to the priority established in the 2015 OFA, together with accrued interest at the rate of 8% per annum accruing from the date of deposit into the District's bank account or from the date of direct deposit by the Landowner. The 2015 OFA does not constitute a debt or indebtedness of the District nor does it constitute a multi-year fiscal obligation. The making of any reimbursement thereunder is subject to annual appropriation by the District to the extent the District has funds available from the impositions of its taxes, fees, rates, tolls, penalties and charges, and from other legally available revenue, after the payment of its annual debt service obligations, if any, and annual operations and maintenance expenses. As of December 31, 2022, there were no outstanding balances under this agreement.

2015 Facilities Funding and Acquisition Agreement

On December 8, 2015, with an effective date of June 23, 2015, the District entered into the 2015 Facilities Funding and Acquisition Agreement with the Landowner pursuant to which the Landowner agrees to make advances not to exceed Three Million Dollars (\$3,000,000) to the District for the purpose of funding the construction and/or acquisition of public improvements (2015 FFAA). The Landowner agrees to make such advances on a periodic basis as needed for fiscal year 2015. The 2015 FFAA does not constitute a debt of the District, but is an annual appropriations agreement intended to be repaid through future bond issuances. As of December 31, 2022, there were no outstanding balances under this agreement.

**PROSPER COORDINATING METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 AGREEMENTS (CONTINUED)

Agreements with VREI, Inc. (the Developer)

Operation Funding Agreements (OFAs)

The District has entered into several Operation Funding Agreements pursuant to which the Developer agrees to advance funds to the District for certain operation and maintenance expenses, up to a maximum amount agreed, on a periodic basis as needed. The District agrees to repay these advances pursuant to the priority established in the OFAs, together with accrued interest at the rate of 8% per annum accruing from the date of deposit into the District's bank account or from the date of direct deposit by the Developer.

These OFAs do not constitute a debt or indebtedness of the District nor do they constitute multi-year fiscal obligations. The making of any reimbursement thereunder is subject to annual appropriation by the District to the extent the District has funds available from the impositions of its taxes, fees, rates, tolls, penalties and charges, and from other legally available revenue, after the payment of its annual debt service obligations, if any, and annual operations and maintenance expenses.

The details of the District's OFAs and their balances as of December 31, 2022 are as follows:

Agreement	Date Entered	Effective Date	Reimbursement Termination Date	Maximum Amount	Outstanding Balance	Accrued Interest
2016 OFA	12/30/2015	1/1/2016	12/31/2056	\$ 100,000	\$ -	\$ -
2017 - 2018 OFA	1/22/2018 (1)	1/1/2017	12/31/2057	400,000	-	-
2019 OFA	11/26/2018 (2)(3)	1/1/2019	12/31/2060	240,000	-	-
					<u>\$ -</u>	<u>\$ -</u>

(1) Amended 11/26/2018 to increase maximum amount to \$400,000.

(2) 1st Amendment to 2019 OFA dated 11/23/2020 and effective 01/01/2020. Extended termination date to 12/31/2060, and increased maximum amount to \$132,000.

(3) 2nd Amendment to 2019 OFA dated 10/25/2021. Extended termination date to 12/31/2061, and increased maximum amount to \$240,000.

Facilities Funding and Acquisition Agreements (FFAAs)

The District has entered into several Facilities Funding and Acquisition Agreements with the Developer pursuant to which the Developer agrees to make advances to the District for the purpose of funding the construction and/or acquisition of public improvement. The Developer agrees to make such advances up to a maximum amount, on a periodic basis as needed on the prescribed fiscal year. These FFAAs do not constitute a debt of the District, but are annual appropriations agreements intended to be repaid through future bond issuances.

**PROSPER COORDINATING METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 AGREEMENTS (CONTINUED)

Agreements with VREI, Inc. (the Developer) (Continued)

Facilities Funding and Acquisition Agreements (FFAAs) (Continued)

The details of the District's FFAAs and their balances as of December 31, 2022 are as follows:

Agreement	Date Entered	Effective Date	Reimbursement Termination Date	Maximum Amount	Outstanding Balance	Accrued Interest
2016 FFAA	12/30/2015	1/1/2016	12/31/2056	\$ 3,000,000	\$ -	\$ -
2017 FFAA	12/2/2016	1/1/2017	12/31/2056	45,000,000	754,650	61,530
2018 - 2019 FFAA	11/26/2018 (1)	1/1/2018	12/31/2060	15,000,000	2,931,913	922,898
					<u>\$ 3,686,563</u>	<u>\$ 984,428</u>

(1) Amended 11/25/2019 to cover fiscal year 2020, extend reimbursement termination date to 12/31/2060, and increase maximum amount to \$15,000,000. Further amended 11/23/2020 to cover fiscal year 2021.

1601 Agreement

On June 23, 2020, the District entered into a Funding Agreement with Arapahoe County and Prosper Farms Investments, LLC pursuant to which the District agreed to pay its allocated share of the costs of preparing studies required under the Colorado Department of Transportation's Policy Directive No. 1601.0, Interchange Approval Process (1601 Studies). The District is required to obtain a 1601 Study for the Watkins Road/I-70 Interchange (Watkins Study Area) and, likewise, Sky Ranch Metropolitan District Nos. 1, 3, 4 and 5, the Sky Ranch CAB, and the Sky Ranch Developer are responsible for obtaining a 1601 Study for the Monaghan Road/I-70 Interchange (Monaghan Study Area). It was determined that significant cost savings could be obtained by coordinating the 1601 Studies for the Watkins Study Area and the Monaghan Study Area and a single consultant was retained to perform both 1601 Studies. Under the Funding Agreement, the District is responsible for 25% of the total cost of preparing the 1601 Studies. As of December 31, 2022, the District has paid \$500,000 pursuant to this agreement.

NOTE 8 RELATED PARTIES

The owner of the property which constitutes the District is Prosper Farms Investments, LLC (the Landowner) and the developer is VREI, Inc. (the Developer). All members of the Board of Directors of the District are officers or employees of or related to the Landowner or the Developer or an entity affiliated with the Landowner or the Developer or the majority owner of the above named Developer and may have conflicts of interest in dealing with the District.

NOTE 9 INTERFUND AND OPERATING TRANSFERS

The transfer from the General Fund to the Capital Projects Fund utilized property taxes transferred from other Districts for capital outlay.

**PROSPER COORDINATING METROPOLITAN DISTRICT
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; error 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 Districts pay annual premiums to the Pool for liability 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 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.

On November 3, 2015, 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 or the 5 ½% limit of Section 29-1-301 C.R.S. Also, on November 3, 2015, a majority of the District's electors authorized the District to collect and spend or retain all of the revenue of the District and authorized taxes to be increased \$25,000,000 in 2015 and every year thereafter by the same amount plus inflation and local growth for operations and maintenance without regard to any limitations under TABOR.

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.

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

**PROSPER COORDINATING METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Consulting	-	-	25,874	(25,874)
Contingency	5,000	260,000	-	260,000
Design Costs WWTP	-	245,000	93,192	151,808
Engineering	-	-	31,878	(31,878)
Legal Services	-	-	9,188	(9,188)
Storage	30,000	30,000	30,000	-
Total Expenditures	35,000	535,000	190,132	344,868
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(35,000)	(535,000)	(190,132)	344,868
OTHER FINANCING SOURCES (USES)				
Transfers from (to) Other Funds	35,000	535,000	190,132	(344,868)
Total Expenditures	35,000	535,000	190,132	(344,868)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

Administration

McGriff, Seibels & Williams

P.O. Box 1539

Portland OR 97207

Phone: (800) 318-8870

Fax: (503) 943-6622

INSTRUCTIONS AND CHECKLIST
FOR THE PROPER EXECUTION OF
THE RESOLUTION AND INTERGOVERNMENTAL AGREEMENT (IGA)

- ___ Please use the provided copies of the Resolution and IGA without alteration. When changes are warranted by the district please submit them prior to signing for review and acceptance by the Pool Board of Directors.
- ___ The board Chairman/President of the district must sign both the Resolution and IGA.
- ___ The board's Secretary or other board member must attest to the President's signature on both the Resolution and IGA. If attestation is not by the Secretary please indicate individual's title in the district.
- ___ Enter the current date on both the Resolution and IGA signature pages.
- ___ Enter the coverages and the effective dates on the second page of the Resolution. Subsequent renewal coverages or additions will be automatically recognized in the agreement.
- ___ Each district must designate on the Resolution specific individuals (not necessarily board members) to be the Primary and Alternative Pool Representatives. These may not be a company, and one person may not be both the Primary and Alternative Representative.
- ___ Please enter a current mailing address for the Primary and Alternative Representatives. You may specify the individual's address as being in care of a company.
- ___ Groups of related districts must each provide separate signed documents if each is a separate legal entity. Each legal entity will have their own separate policy in the Pool.
- ___ Please indicate adoption of the Resolution by two Directors on Page 2 of the Resolution.
- ___ A copy of the Resolution and one original IGA document must be returned to McGriff, Seibels & Williams, the Pool Administrators. If the district wishes to retain an original copy please have duplicate originals signed at the same time.

PLEASE NOTE IT IS IMPORTANT THAT CURRENT REPRESENTATIVE
AND/OR ALTERNATE INFORMATION BE MAINTAINED WITH THE
POOL ADMINISTRATOR. WE REQUEST ANY CHANGES BE SUBMITTED
IN WRITING AS SOON AS POSSIBLE.

RESOLUTION NO. _____

WHEREAS, the Board of Directors of Prosper Park & Recreation Financing (hereafter referred to as "the District") has authority under Article XIV, Section 18(2)(a) of the Colorado Constitution, and Sections 24-10-115.5, 29-13-102, and 29-1-201, et seq., Colorado Revised Statutes, as amended, to participate in a self-insurance pool for property and liability and/or workers' compensation coverages:

WHEREAS, the Board of Directors has reviewed a contract to cooperate with other Colorado Special Districts by participating in a self-insurance pool for property and liability coverages entitled "Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool", a copy of which is attached hereto as Exhibit A and incorporated into this Resolution: and,

WHEREAS, the Board of Directors finds that participation in such a pool would be in the best interest of the District, its employees, and its taxpayers:

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District hereby:

1. Approves the contract entitled Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool, a copy of which is attached hereto as Exhibit A and incorporated into this Resolution by this reference.
2. Authorizes and directs the Chairman of the Board of Directors and President of the District to execute Exhibit A on behalf of the District.
3. Directs the Secretary of the Board of Directors to transmit to the Colorado Special Districts Property and Liability Pool (hereafter referred to as "Pool"), McGriff, Seibels & Williams, PO Box 1539, Portland, OR 97207-1539, an executed and attested copy of this Resolution and one original of Exhibit A.
4. Designates Matt Urkoski as District's initial Representative to the Pool and designates Joan Colby as the District's Alternative Representative.
5. Representative Mailing Address:
8390 E. Crescent Pkwy, suite 300 Greenwood Village, Co 80111

Alternate Representative Mailing Address:
8390 E. Crescent Pkwy, suite 300 Greenwood Village, Co 80111

6. Understands that, with the adoption of this Resolution, the District becomes a member of the Pool, with coverage to be provided by or through the Pool on such date as determined by the District and Pool. The District hereby requests, unless other dates are later designated by the District, that coverage should begin on the following dates for the following type of coverage:

<u>Date</u>	<u>Coverage</u>
_____	Workers' Compensation
_____	Property
<u>5-1-2023</u>	General Liability
_____	Automobile
<u>5-1-23</u>	Public Officials Liability
_____	Inland Marine
_____	Equipment Breakdown / Boiler & Machinery
<u>5-1-23</u>	Comprehensive Crime

Director _____ moved the adoption of the above Resolution.

Director _____ seconded the adoption of the above Resolution.

This Resolution was adopted by a majority vote of the Board of Directors of the District on the _____ day of _____, 20 _____

Chairman of the Board and
President of the District

ATTEST:

Secretary of the Board

**INTERGOVERNMENTAL AGREEMENT FOR THE
COLORADO SPECIAL DISTRICTS
PROPERTY AND LIABILITY POOL**

As Amended
SEPTEMBER 14, 2011

TABLE OF CONTENTS

ARTICLE	1	Definitions	1
ARTICLE	2	Creation of Pool	1
ARTICLE	3	Purposes	2
ARTICLE	4	Non-Waiver of Governmental or Other Immunity	2
ARTICLE	5	Participation	2
ARTICLE	6	Board of Directors and Officers	3
ARTICLE	7	Meetings of the Board of Directors	4
ARTICLE	8	Powers and Duties of the Board of Directors	5
ARTICLE	9	Members' Powers and Meetings	6
ARTICLE	10	Obligations of Members	7
ARTICLE	11	Contributions	8
ARTICLE	12	Liability of Directors, Officers and Employees	10
ARTICLE	13	Withdrawal of Members	11
ARTICLE	14	Expulsion of Members	12
ARTICLE	15	Effect of Withdrawal or Expulsion	12
ARTICLE	16	Miscellaneous	13

**INTERGOVERNMENTAL AGREEMENT FOR THE
COLORADO SPECIAL DISTRICTS PROPERTY AND LIABILITY POOL**

ARTICLE 1. Definitions

As used in this Pool Agreement, the following terms shall have the meaning hereinafter set out:

- 1.1 **BOARD**: Board of Directors of the Pool.
- 1.2 **CLAIM YEAR**: Any twelve consecutive month period established by the Board. The "initial" claim year is the first claim year established for the Pool.
- 1.3 **DIRECTOR**: A person serving on the Board.
- 1.4 **MEMBER**: A Special District which enters into this Pool Agreement. An "initial" member of the Pool is a member which obtains coverage through the Pool during the initial claim year.
- 1.5 **MEMBER REPRESENTATIVE**: That person who has been designated in writing by a Member as its representative to the Pool.
- 1.6 **POOL**: The Colorado Special Districts Property and Liability Pool established pursuant to the Constitution and the statutes of this state by this Pool Agreement.
- 1.7 **POOL AGREEMENT**: This Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool.
- 1.8 **SPECIAL DISTRICT**: A political subdivision of the State of Colorado that is a unit of local government pursuant to Article 13, Title 29, C.R.S., as amended, that is a public entity pursuant to 24-10-103(5), C.R.S., as amended, and that is eligible for membership in the Special District Association of Colorado according to the Association's bylaws as amended and in effect from time to time. "Special District" also includes any separate entity created by intergovernmental agreement authorized by Part 2, Article 1, Title 29, C.R.S., as amended, if at least one of the contracting entities is a special district and if all of the contracting entities are units of a local government pursuant to Article 13, Title 29, C.R.S., as amended, and are public entities pursuant to 24-10-103(5), C.R.S., as amended.
- 1.9 **SDA BOARD**: The Board of Directors of the Special District Association of Colorado.

ARTICLE 2. Creation of Pool

- 2.1 The Colorado Special Districts Property and Liability Pool is hereby formed by this Pool Agreement by Member Special Districts as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and

Constitution and Sections 29-1-201 et. seq., 8-44-101(1)(C) and (3), 8-44-204, 24-10-115.5, and 29-13-102, C.R.S., as amended.

- 2.2 Each Special District entering into this Pool Agreement has the power under Colorado law to make provision for the property and liability coverages, workers' compensation benefits, and risk management, claims handling, and other functions and services which constitute the specific functions and services jointly provided by means of the Pool.

ARTICLE 3. Purposes

- 3.1 The purposes of the Pool are to provide defined property, liability, workers' compensation and associated coverages, and claims and risk management services related thereto, for Member Special Districts through a self-insurance pool.
- 3.2 It is the intent of the Members to use Member contributions to defend and indemnify, in accordance with this Pool Agreement, any Member against stated liability or loss to the extent of the coverage provided by or through the Pool.
- 3.3 All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its Members.

ARTICLE 4. Non-Waiver of Governmental or Other Immunity

- 4.1 All Pool money, plus earned interest, is money derived from its Members which consist solely of Special Districts within the State of Colorado. It is the intent of the Members that, by entering into this Pool Agreement, they do not waive and are not waiving any immunity provided by any law to the Members or their public employees, as defined in 24-10-103(4), C.R.S., as amended.

ARTICLE 5. Participation

- 5.1 The Board shall have the authority to limit the Members of the Pool to those Colorado Special Districts which are members of the Special District Association of Colorado and which properly enter into and adopt this Pool Agreement.
- 5.2 New Members, including special districts which have previously withdrawn or been expelled from the Pool, shall be admitted only upon approval by the Board, subject to the payment of such sums and under such conditions as the Board in each case or from time-to-time establishes.

- 5.3 A Member may participate in the Pool for either or both of the following purposes:
1. The property and liability coverages authorized by sections 24-10-115.5 and 29-13-102, C.R.S., as amended, and risk management, claims handling and other functions and services related to such coverages;
 2. The workers' compensation coverages authorized by sections 8-44-101(1)(C) and (3) and 8-44-204, C.R.S., as amended, and risk management, claims handling, and other functions and services related to such coverages.
- 5.4 A Member who is participating in the Pool for one of the purposes set forth in Paragraph 5.3 of this Article may be authorized to participate in the Pool for the other of those purposes upon further compliance, as necessary, with Paragraph 5.1 of this Article and approval of the Board, subject to the payment of such sums and under such conditions as the Board in each case or from time-to-time establishes.

ARTICLE 6. Board of Directors and Officers

- 6.1 The Pool Board of Directors shall be composed of nine persons to be appointed by the SDA Board. Directors shall be appointed from among the Member Representatives, each from a different Member. At least one (1) Pool Director shall be appointed by the SDA Board from among the SDA directors. Pool Directors who are not SDA directors shall be appointed by the SDA Board from nominations received from Members. In no event may more than three Pool Directors be appointed from any one of the following types of special districts: Ambulance, Fire, Metropolitan, Park and Recreation, Sanitation, Water, Water and Sanitation, Hospital, or Library Districts. Nominations from the Members shall be submitted to the SDA Board at such time as the SDA Board may provide, and any nomination must be approved by the Board of Directors of the Member submitting the nomination.
- 6.2 The Executive Director of the SDA shall serve as an ex-officio, non-voting Director on the Board.
- 6.3 Terms of the Directors shall be two-year, overlapping terms or until their successors have been appointed, except as provided herein. The term of office shall begin on a January 1, and end at midnight on a December 31, except that the Directors appointed to the first Board following the formation of the Pool shall begin their term prior to a January 1 if the SDA Board so directs. Directors may serve successive terms. The SDA Board shall appoint to the first Board following formation of the Pool, three Directors to serve one-year terms and four Directors to serve two year terms, with the successors of each appointed for two-year terms. Of the two additional persons to be appointed to the Board upon expansion of the Board from seven to nine persons, one shall be appointed to serve a one-year term and one shall be appointed to serve a two-year term, with the successors of each appointed for two-year terms; the terms of office of the two additional persons initially appointed may begin prior to a January 1 if the SDA Board so directs.

- 6.4 The officers of the Pool shall be: president, one or more vice presidents, secretary, one or more assistant secretaries, and comptroller. The officers shall be elected annually by and from among the Directors at the first meeting of the Board following each December 31.
- 6.5 A vacancy shall occur on the Board when a Director:
1. Submits a written resignation to the Board.
 2. Dies.
 3. Ceases to be a Member Representative.
 4. Fails to attend three consecutive regular meetings of the Board without the Board having entered upon its minutes an approval for an additional absence or absences, except that such additional absence or absences shall be excused for temporary mental or physical disability or illness.
 5. Is convicted of a felony.
- 6.6 Any vacancy on the Board shall be filled by appointment by the SDA Board for the unexpired portion of the term.

ARTICLE 7. Meetings of the Board of Directors

- 7.1 The Board may set a time and place for regular meetings which may be held without further notice. The Members shall be notified of the time and place set for regular meetings.
- 7.2 Special meetings may be called by the President or by a majority of the Directors by mailing written notice at least ten (10) days in advance to all Directors or by unanimously executed waiver of notice.
- 7.3 Five Directors shall constitute a quorum to do business. All acts of the Board shall require approval of a majority of the Directors present, except as otherwise specifically provided in this Pool Agreement.
- 7.4 One or more or all Directors may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence at the meeting.
- 7.5 Any action of the Board may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all Directors appointed to the Board. Such consent shall have the same effect as a unanimous vote. The consent may be executed in counterparts.

ARTICLE 8. Powers and Duties of the Board of Directors

- 8.1 The business and affairs of the Pool shall be managed by the Board which shall exercise all the authority and powers and discharge all the duties of the Pool, except as is otherwise provided in this Pool Agreement.
- 8.2 In addition to all other powers of the Board set out in this Pool Agreement, the Board shall have the power to:
1. Exercise all powers necessary to carry out the purposes of the Pool.
 2. Retain agents, independent contractors and employees necessary to administer and achieve the purposes of the Pool, including, but not limited to, attorneys, accountants, investigators, experts, consultants, and others.
 3. Purchase, sell, encumber, and lease real property, and purchase, sell, encumber or lease equipment, machinery, and personal property.
 4. Invest money as allowed for the Pool by Colorado statutes or by lawful regulations adopted pursuant to Colorado statutes, as from time-to-time amended.
 5. Purchase excess insurance, stop-loss insurance, and reinsurance as the Board deems prudent.
 6. Adopt and adjust the coverages provided through the Pool.
 7. Adopt and adjust contributions to the Pool.
 8. Enter into contracts including, but not limited to, contracts for risk management, claim adjustment, and brokerage services.
 9. Reimburse Directors for reasonable and approved expenses, including expenses incurred in attending Board meetings, and pay compensation to each Director for his or her services in a sum not to exceed the maximum sum which may by statute be paid as compensation for services of directors on Colorado special district boards of directors.
 10. Purchase fidelity bonds from an insurance company approved by the Insurance Commissioner of the State of Colorado to do business in Colorado.
 11. Establish reasonable and necessary loss reduction, prevention and risk management policies and procedures to be followed by the Members.
 12. Appoint committees from time to time as the Board considers desirable.

13. Provide for claims and loss control procedures, and establish conditions to be met prior to the payment or defense of claims.
 14. Establish rules governing its own conduct and procedure, and the authority of its officers, not inconsistent with this Pool Agreement.
 15. Approve attorneys or firms of attorneys to represent Members in claims covered through the Pool.
 16. Delegate in writing fiduciary responsibilities or ministerial powers and duties to individual Directors or committees of the Board or to such agents, employees, and independent contractors as the Board considers desirable.
- 8.3 In addition to all other duties of the Board set out in this Pool Agreement, the Board shall have the duty to:
1. Have an audit of the financial affairs of the Pool be made annually by a certified public accountant in accordance with applicable laws and regulations, and provide a copy thereof to each Member.
 2. Select a qualified actuary to conduct periodic reviews of the Pool's funds and any reviews required by the Insurance Commissioner of Colorado, and make recommendations to the Board based on such reviews.
 3. Designate one or more persons or entities to administer the Pool.
 4. Adopt a budget annually and report the budget to the Members.
 5. Three persons shall be appointed annually to an expulsion committee to serve until January 1 of the year following the appointment. One person, to be appointed by the Board, shall be a director on the board, one person, to be appointed by the Board, shall be a representative of the person(s) or entity(ies) providing general administrative services to the Pool, and one person, to be appointed by the SDA Board, shall be a member of the SDA Board.

ARTICLE 9. Members' Powers and Meetings

- 9.1 The Members shall have the power to:
- a. Amend the Pool Agreement by a two thirds (2/3) vote of the Members present at a meeting. Written notice of any proposed amendment shall be provided to each Member at least forty-five (45) days in advance of any vote on the amendment.
 - b. Dissolve the Pool and disburse its assets by a two thirds (2/3) vote of the Members present at a meeting, pursuant to such notice and in keeping with such procedure as shall be

shall be established by the Board. Notice of the dissolution and plan for disbursement of assets and payment of the remaining obligations of the Pool shall be mailed to the Insurance Commissioner of Colorado at least ninety (90) days prior to the effective date of the dissolution. The plan for disbursement of assets and payment of the remaining obligations of the Pool shall not take effect until approved by the Insurance Commissioner of Colorado. Upon dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, as determined by the Board and subject to approval by the Insurance Commissioner of Colorado, shall be distributed exclusively to Special Districts which are members of the Pool prior to dissolution to be used for one or more public purposes.

9.2 Meetings of the Members shall be held as follows:

- a. Members shall meet at least once annually at a time and place to be set by the Board, with notice mailed to each Member at least thirty (30) days in advance.
- b. Special meetings may be called by the Board upon its own motion and shall be called by the Board upon written request of thirty (30) percent of the Members, with notice mailed to each Member at least thirty (30) days in advance.
- c. The president of the Pool shall preside at the meetings; a vice president of the Pool shall preside in the absence of the president.
- d. Twenty (20) percent of the Members shall constitute a quorum to do business.
- e. Proxy voting shall be allowed, pursuant to such procedures as the Board may determine.
- f. Each Member shall be entitled to one vote on each issue, to be cast by its Member Representative.
- g. Notwithstanding any other provision of the Pool Agreement, any amendment to the Pool Agreement, except an amendment relating to dissolution of the Pool, may be adopted without a meeting if an approval in writing, setting forth the amendment approved, is signed by the Member Representatives of at least two thirds (2/3) of the Members. The approval may be executed in counterparts.

ARTICLE 10. Obligations of Members

10.1 Each Member shall have the obligation to:

- a. Pay all contributions or other payments to the Pool at such times and in such amounts as shall be established by the Board. Any delinquent payments shall be paid with interest pursuant to a policy established by the Board and uniformly applied.

- b. Designate in writing, a Member Representative and one or more alternates for the Members' meetings. The Representative and any alternate shall be an elected official, employee, or other designee of the Member, and may be changed from time-to-time. Any alternate may exercise all the powers of the Representative during a Member meeting in the absence of the Member Representative.
- c. Allow the Pool and its agents, contractors, employees and officers reasonable access to all facilities and records of the Member as required for the administration of the Pool.
- d. Cooperate fully with the Pool and all agents, contractors, employees and officers thereof in matters relating to the Pool.
- e. Provide information requested by the Pool, and all agents, contractors, employees, and officers thereof, as reasonably required for the administration of the Pool.
- f. Allow the Pool to make decisions regarding, and to designate attorneys to represent the Member in, the investigation, settlement and litigation of any claim within the scope of coverage furnished through the Pool.
- g. Comply with the claims, loss reduction, prevention and risk management policies and procedures established by the Board.
- h. Promptly report to the Pool all incidents or occurrences which could reasonably be expected to result in the Pool being required to consider a claim, in any form required by the Board and in compliance with any applicable excess insurance or reinsurance.
- i. Promptly report to the Pool the addition of new programs and facilities or the significant reduction or expansion of existing programs and facilities or other acts, as directed by the Board and in compliance with any applicable excess insurance or reinsurance.

ARTICLE 11. Contributions

- 11.1 The Board shall establish Member contributions pursuant to guidelines established by the Board from time-to-time. The contributions may include an annual contribution and any additional contributions at such times and in such amounts as the Board deems necessary to insure the solvency and avoid impairment of the Pool or which the Board otherwise deems beneficial to protect the financial condition of the Pool. The Board may provide for disbursement of non-surplus credit balances which are, pursuant to guidelines adopted by the Board from time to time, due a member, and such disbursements shall not be subject to the provisions of paragraphs 11.2 or 15.1.
- 11.2 Any excess funds which the Board determines are not needed for the purposes of the Pool, may be

may be distributed among the Members and former Members, subject to Paragraph 15.1, pursuant to the following:

1. Any such distribution may be in the form of credits against future contributions or in the form of payments, or a combination thereof, as the Board may determine.
2. Money distributed for any claim year shall be distributed only to those Members and former Members which were Members during that claim year and shall be distributed in order of claim year contribution, with Members and former Members of the initial claim year to receive the initial credits.
3. The amount which may be distributed for any claim year shall be established by the Board which shall have discretion as to the amount and timing of any distribution. That amount may not exceed the net sum of (i) the net income of the Pool for that claim year less (ii) the portion of the Pool's net income which equals the amount of the excess loss reserve of the claim year prior to the claim year (which is subject to the distribution) which was taken into income in that claim year plus (iii) the excess loss reserve for the claim year which is subject to the distribution.
4. For the purpose of this paragraph 11.2, the term "excess loss reserves" means the amount by which the amounts credited to loss reserves and charged to operating expenses in any claim year exceed the actual losses (including loss adjustment expenses) for that claim year.
5. The amount established by the Board for a claim year pursuant to paragraph c., above, shall be distributed among each Member and former Member which was a Member during that claim year based on the ratio which each Member's and former Member's contribution (excluding any surplus contribution) for the claim year bears to the total contributions (excluding surplus contributions) for the claim year and less the contributions of former Members which are not eligible for a distribution pursuant to Paragraph 15.1.
6. Excess surplus funds contributed by Members and former Members may be distributed only among such contributing Members or former Members, subject to the five year membership requirement of Paragraph 15.1. The Board has discretion to determine, from time to time, the amount and timing of any distribution of such funds. The amount established by the Board shall be distributed among each Member and eligible former Member based on the ratio which each Member's and former Member's surplus contribution bears to the total amount of surplus funds contributed to the Pool by Members and former Members.
7. No distribution of excess funds, including excess surplus funds contributed by Members, shall be made to any Member or former Member which owes any amount to the Pool until the amount so owed is paid, and any amount so owed may be deducted from the distribution to the Member or former Member.

8. No distribution of excess funds, including excess surplus funds contributed by Members, shall cause the Pool to become impaired or insolvent.
- 11.3 The total amount of surplus shall be determined by the Board from time-to-time, but in no event shall be less than that required by the Insurance Commissioner of Colorado, and the Board may require all Members to make additional contributions to surplus as the Board deem necessary, or the Insurance Commissioner of Colorado may require.
- 11.4 The Pool shall account separately for contributions made for the property and liability coverages authorized by sections 24-10-115.5 and 29-13-102, C.R.S., as amended, and for contributions made for the workers' compensation coverage authorized by sections 8-44-101(1)(C) and (3) and 8-44-204, C.R.S., as amended.
- 11.5 Notwithstanding any provision of this Agreement to the contrary, the Pool Board may establish from any contributions or other assets of the Pool the initial minimum surplus for workers' compensation coverage required by the Insurance Commissioner of Colorado; provided that contributions or other assets derived from coverages other than workers' compensation shall not be used to establish such minimum surplus unless and until the Board first determines that workers' compensation contributions are or will be insufficient to fund such surplus in the amounts and within the time required by the Insurance Commissioner of Colorado; and provided further, that such minimum surplus shall be established from contributions for workers' compensation coverage as soon as the Board determines practicable consistent with ensuring the solvency and avoiding the impairment of the Pool. The Board may issue subordinated debt to establish such minimum surplus consistent with applicable requirements of the Insurance Commissioner of Colorado.
- 11.6 The Pool shall repay the Special District Association of Colorado for its ongoing services to the Pool, provided subsequent to the creation of the Pool, within such time and in such amount as the SDA Board and Pool Board may agree.

ARTICLE 12. Liability of Directors, Officers and Employees

- 12.1 No Director, officer, committee member, or employee of the Pool shall be personally liable for any acts performed or omitted in good faith. The Pool shall indemnify each Director, officer, committee member, and employee of the Pool against any and all expense including attorney fees and liability expenses sustained by them, or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties performed for this Pool or omitted in good faith. This provision shall not be deemed to prevent compromises of any such litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.
- 12.2 The Pool shall obtain a fidelity bond or other bond to guarantee the faithful performance of each Director's, officer's and employee's duties hereunder, and shall make reasonable effort to obtain errors and omissions coverage for each Director, officer, committee member, and employee of the

employee of the Pool. The Pool shall obtain bonds for all Directors, officers, committee members, and employees who handle or have access to Pool funds, in an amount which the Board deems appropriate but no less than the minimum amount deemed necessary by the Insurance Commissioner of Colorado.

ARTICLE 13. Withdrawal of Members

- 13.1 Any Member may withdraw from the Pool by giving written notice to the Board of its intent to withdraw at least sixty (60) days prior to the Member's coverage renewal date. A Member which has different renewal dates for different coverages must give such written notice at least sixty (60) days prior to the first renewal date following any January 1. Unless a different date is agreed to by the Board and the Member, the withdrawal shall be effective on the Member's coverage renewal date but, if the Member has different renewal dates for different coverages, the withdrawal shall be effective the latest renewal date following the written notice of withdrawal. After the notice of withdrawal is given, no coverage will be renewed but all coverages will remain in effect only until their respective expiration dates.
- 13.2 Except as otherwise provided in this paragraph, any Member which dissolves or which is consolidated with another Special District shall be considered a withdrawn Member with the same rights and obligations under this agreement as any other withdrawn Member, such withdrawal to be effective on the date of dissolution or consolidation, as the case may be. Notwithstanding paragraph 15.1 and under the following circumstances only, a Special District shall receive the credits against its future contributions to the Pool otherwise allocable to a dissolved or consolidated Member pursuant to paragraph 11.2:
1. If the Special District was formed by a consolidation which included such a Member, the Special District assumed all rights of that Member under this agreement, and the Special District is a Member no later than one year after the effective date of the consolidation; or,
 2. If the Special District assumed all rights of a dissolved Member under this agreement, and the Special District is a Member no later than one year after the effective date of the dissolution.

A Special District entitled to receive such credits of a dissolved or consolidated Member shall not be obligated for any liabilities to the Pool of the dissolved or consolidated Member in excess of the amount of such credits.

ARTICLE 14. Expulsion of Members

- 14.1 A Member which fails to make a contribution or other payment due to the Pool shall be automatically expelled from the Pool on the sixtieth (60) day following the due date, unless time for payment is extended by the Board and payment is made within any extended period. A notice of failure to make a contribution or other payment due to the Pool shall be mailed to the Member at least thirty (30) days prior to the date of automatic expulsion. If payment is not made within

not made within any extended period, the automatic expulsion shall occur on a date, no later than twenty (20) days after the last day of the extended period, set by the Board. An expulsion under this paragraph 14.1 shall not be subject to the provisions of paragraph 14.2.

- 14.2 A Member may be expelled by the Board for failure to carry out any other obligation of the Member, or for failure to maintain its membership in the Special District Association of Colorado if such membership was required by the Board at the time the Member was admitted to the Pool, subject to the following:
1. The Member shall receive notice from the Board of the alleged failure and not less than thirty (30) days in which to cure the alleged failure, along with notice that expulsion may result if the failure is not so cured.
 2. The Member shall receive at least thirty (30) days prior notice from the Board, of the date, place and time when the Board will consider expelling the Member from the Pool, and the Member shall be entitled to be present at that meeting and to present evidence and reasons why it should not be expelled. The decision of the Board shall be effective as of the date and upon the terms and conditions set forth in the Pool Agreement and applicable excess or reinsurance policies and otherwise specified by the Board, except as provided in paragraph c.
 3. The Member may appeal the Board's decision to the expulsion committee, which shall schedule a hearing thereon. The Member and the Board shall be provided at least ten (10) days prior written notice of the date, time and place of the hearing. The appealing Member shall be entitled to be present at that hearing and to present evidence and reasons why it should not be expelled and the Board may present evidence and reasons why expulsion is proper. The decision of the expulsion committee shall be final and any expulsion effective as of the date and upon the terms and conditions set forth in the Pool Agreement and applicable excess or reinsurance policies, and otherwise specified by the Board.

ARTICLE 15. Effect of Withdrawal or Expulsion

- 15.1 No withdrawn or expelled Member shall be entitled to any reimbursement of contributions or distribution or excess funds, including excess surplus funds contributed by Members, unless the Member was a Member for at least five consecutive years.
- 15.2 A withdrawn or expelled Member shall remain obligated for all amounts owing at the time of withdrawal or expulsion for the years during which the member was an active member of the Pool and for all amounts which thereafter become owing for such years pursuant to the Pool Agreement and any other Pool documents which are in effect at the time of withdrawal.
- 15.3 A withdrawn or expelled Member shall be considered a Member of the Pool for the purpose of payment of the Member's claims and expenses related thereto which remain covered under the terms of coverage existing at the time of withdrawal. A withdrawn or expelled Member shall

shall remain subject to all conditions of coverage and obligations of a Member which are in effect at the time of withdrawal. A withdrawn or expelled Member shall have no right to vote on any matter pending before the Pool membership.

- 15.4 No withdrawn or expelled Member may be adversely affected by any change in the Pool Agreement or other Pool documents adopted subsequent to the effective date of the Member's withdrawal or expulsion.
- 15.5 Unless disapproved by an affected excess carrier or reinsurer, the Pool shall offer a withdrawing or expelled Member, no later than forty-five (45) days after the expulsion or Board's receipt of the written notice of withdrawal, at least twenty-four (24) months extended reporting period on any claims-made coverage provided through the Pool, at a cost reasonably calculated by the Board and subject to any contracts existing at the time of withdrawal or expulsion.

ARTICLE 16. Miscellaneous

- 16.1 This document constitutes an intergovernmental agreement among those Special Districts which become Members of the Pool. The terms of this agreement may be enforced in court by the Pool or by any of its Members. The consideration for the duties herewith imposed on the Members to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the Members set forth herein.
- 16.2 A certified or attested copy of the resolution of approval for each Member shall be attached to the Member's Pool Agreement on file with the Pool.
- 16.3 Except to the extent of the limited financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to this Pool Agreement, the contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not otherwise created as between Member and Member any relationship of surety, indemnification or responsibility for the debts of or claims against any other Member.
- 16.4 The provisions of this Pool Agreement and of the other documents referred to herein, and the assets of the Pool, are for the benefit of the Members of the Pool only, and no other persons or entities shall have any rights or interest in this Pool Agreement or in any of the other documents referred to herein, or in any such assets, as a third party beneficiary or otherwise. The assets of the Pool shall not be subject to attachment, garnishment, or any equitable proceeding.
- 16.5 It is the intention of the Members that the Pool and any income of the Pool not be subject to taxation, and the Members shall cooperate in such respects, including amending this Pool Agreement, as reasonably necessary to establish and maintain the non-taxable status of the Pool.

- 16.6 The Insurance Commissioner of Colorado shall have such authority with respect to the formation and operation of the Pool as is provided by applicable Colorado law.
- 16.7 Except as permitted in this Pool Agreement, and amendments hereto, neither the Board nor any other person or entity is authorized to incur liabilities or obligations or enter into contracts on behalf of the Members.
- 16.8 "Insolvency" as applied to the Pool shall have the meaning as defined in Section 10-3-212, C.R.S., as amended, or as the Insurance Commissioner of Colorado may otherwise provide.
- 16.9 The statutory reporting period for the Pool shall be the calendar year or such other period as the Insurance Commissioner of Colorado may provide.
- 16.10 If any provision of this Pool Agreement is held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the other provisions, and this Pool Agreement is expressly declared to be severable.
- 16.11 If the Board or its authorized representative and a Member disagree on whether a loss is covered through the Pool or on the amount of a covered loss, the Board or its authorized representative or the Member may request that the disagreement be submitted to binding arbitration as follows:
1. Unless otherwise agreed by the Board or its authorized representative and the Member, three persons shall be selected for the arbitration panel, one by the Board or its authorized representative, one by the Member, and one by the two so selected to act as umpire to decide the items upon which the other two disagree. If the two so selected fail for fifteen days to agree upon the umpire, the umpire shall be selected by a judge of a court of record agreed to by the Board or its authorized representative and the Member.
 2. The decision of the panel shall be binding on the Board or its authorized representative and the Member.
 3. The Pool shall pay the fees and expenses of the panelist selected by the Board or its authorized representative, the Member shall pay the fees and expenses of the panelist selected by it, and the fees and expenses of the umpire shall be shared equally by the Pool and the Member.

Dated: _____

Special District: Prosper Park & Recreation Financing Metro District

By: _____
 Title: Chairman, Board of Directors and President

Date: _____

Attest:

By: _____
Title: Secretary



Member Representative Designation Form

Pursuant to Section 10.1(b) of the Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool (CSD Pool), _____
District Legal Name

designates the following individuals as its Member Representative and Alternate Member Representative to the CSD Pool to represent the District’s interest in CSD Pool matters on behalf of the District:

Member Representative (Print)

Alternate Member Representative (Print)

Association/Position in District

Association/Position in District

Address

Address

Phone

Phone

Email

Email

Date Authorized: _____

Authorized Signature: _____
By signing this form, you are affirming that you have been authorized to do so by the district’s board of directors.

Signer’s Position: _____

General Liability Schedule

Metropolitan Districts



Name of District: _____

*** Total Operating Expenses does not include debt services or capital expenditures**

Code	Description	Unit	Amount
60001	Number of Skate Board Parks	Total	
60002	Number of Diving Boards	Total	
60003	Number of Water Slides	Total	
60004	Maximum Bond Issued	Dollars	
60005	Number of Bonds Issued	Total	
60020	Day Care Operations - Total Annual Payroll	Dollars	
60030	Number of EMT Personnel	Total	
60031	Number Of Non-EMT Volunteers	Total	
60032	Number of Paid Fire Fighters – Non-EMT	Total	
60036	Pipe Line – Water	Miles	
60037	Pipe Line - Under Drain	Miles	
60039	Pipe Line	Miles	
60043	Pipe Line (Sewer/Storm Drainage Combined)	Miles	
60050	Number of Teachers	Total	
60070	Number of Golf Courses	Total	
60080	Number of Go Cart Tracks	Total	
60097	Additional First Named Members (Subdistricts)	Total	
60098	Additional First Named Members	Total	
60105	Total Operating Expenses - Any Other	Dollars	
60130	Total Operating Expenses - Park & Recreation	Dollars	
60131	Total Operating Expenses - Cemetery	Dollars	
60132	Total Operating Expenses - Soil & Water Conservation	Dollars	
60133	Total Operating Expenses – Pest Control	Dollars	
60134	Total Operating Expenses - Hospital / Health	Dollars	
60135	Total Operating Expenses - Drainage	Dollars	

60136	Total Operating Expenses - Library	Dollars	
60137	Total Operating Expenses - Water Control	Dollars	
60138	Total Operating Expenses - Fire / Ambulance	Dollars	
60139	Total Operating Expenses - Water	Dollars	
60140	Total Operating Expenses - Irrigation	Dollars	
60141	Total Operating Expenses - Sanitation	Dollars	
60142	Total Operating Expenses - Transit	Dollars	
60143	Total Operating Expenses - Improvement	Dollars	
60215	Buildings & Premises Occupied by District	Sq. ft.	
60250	Number of Homes in Home Owner's Association	Total	
60270	Number of Aboveground Storage Tanks (excluding water tanks)	Total	
60331	Number of Paid Firefighters - Full-Time	Total	
60332	Number of Paid Firefighters - Part-Time	Total	
60333	Number of Volunteer Firefighters	Total	
60334	Number of Paid EMT – Full Time	Total	
60335	Number of Paid EMT – Part Time	Total	
60348	Number of Board Members	Total	
60350	Number of Permanent Employees – Full Time	Total	
60351	Number of Permanent Employees – Part Time	Total	
60366	Total Payroll	Dollars	
60405	Number of Boats over 51'	Total	
60411	Total Water Delivered Annually - Millions of Gallons	MGAL	
60414	Playground/Parks (Area)	Acres	
60415	Number of Grandstands/Stadiums	Total	
60420	Vacant Land	Acres	
60450	Miles of Road Maintained	Miles	
60522	Number of Ponds, Lakes & Reservoirs	Total	
60550	Fire Department Area Served	Sq. Miles	
60539	Miles of Canals/Ditches	Miles	
60671	Number Of Parks	Total	
60710	Dams - Class 1 - Low Hazard - Total Acre Ft.	Acre Ft.	
60712	Dams - Class 1 - Low Hazard - Number of Dams	Count	
60720	Dams - Class 2 - Med Hazard - Total Acre Ft.	Acre Ft.	
60722	Dams - Class 2 - Med Hazard - Number of Dams	Count	
60730	Dams - Class 3 - High Hazard - Total Acre Ft.	Acre Ft.	
60730	Dams - Class 3 - High Hazard - Number of Dams	Count	

60811	Number of Spillways	Total	
60900	Services Contracted Out to Others	Dollars	
60924	Revenue from use of Swimming Pools	Dollars	
60925	Number of Swimming Pools	Total	
60945	Number of Sewage Taps	Total	
60946	Number of Water Mains or Connections	Total	
60947	Sewer and/or Sanitation Line Maintenance (budget)	Dollars	
60948	Water Line Maintenance (budget)	Dollars	
60997	Number of district sponsored Events/Fundraisers - No Alcohol	Total	
60998	Number of District sponsored Events/Fundraisers – With Alcohol	Total	
60999	Prior Acts Coverage Under a Previous “Claims Made” Policy	Premium	

If your district has other exposures not common to all similar districts and not listed on the General Liability Schedule, such as: (airplanes, staff security people, bridges, or boats) please list below. Certain activities may require separate coverage under another policy.

Description	Unit	Amount

Supplementary Questions:

1. Any chemical spraying? _____
 - a. Purpose of spraying: _____
 - b. Chemicals used: _____

2. Certificates of coverage required for all subcontractors?
 - a. Describe the services contracted: _____
 - b. Limit of Liability required (\$1 million recommended): _____

Note: Health related professional liability is not provided at district owned or operated hospitals, clinic or nursing homes.

Property & Liability Application for Proposal

District name: _____

Desired effective date of coverage: _____

District physical address: _____

City, State, Zip: _____

Mailing Address (if different): _____

County: _____

Primary Contact: _____

Email: _____ Phone: _____

Position: _____

Type of District: _____

If a Metropolitan district, what services are provided? _____

District's Management Company (if applicable):

This will be used as the district's mailing address unless otherwise advised.

Name: _____

Mailing address: _____

City, State, Zip: _____

Phone: _____ Email: _____

Primary Contact: _____

Position: _____

District's Broker/Insurance Agent Name and Address (if applicable):

Name: _____

Mailing address: _____

City, State, Zip: _____

Phone: _____ Email: _____

Primary Contact: _____

General Information:

1. Is the district currently a member of the Special District Association of Colorado? Yes No
The district must join the SDA in order to be a member of the CSD Pool

Year district was formed: _____

FEIN: _____

Attach a copy of the district's most recent budget

For a coverage comparison with the Pool's proposal, please enclose a complete copy of all your current insurance policies

General Liability

- 2. Quote needed: Yes No
- 3. District self-insures liability coverage: Yes No
- 4. Complete the attached General Liability schedule for district exposures

Current Policy

Insurance company name	
Expiration date	
Deductible (if any)	
Expiring Premium	
Per occurrence coverage limit	
Policy type	Claims-Made* Occurrence

*Retrospective date of Claims-Made policy: _____

Excess Liability

- 1. Quote needed: Yes No
- 2. Desired coverage limit: _____ (Up to \$8,000,000)

Current Policy

Insurance company name	
Expiration date	
Expiring Premium	
Coverage limit	

Auto Coverage

1. Quote needed: Yes No

Current Policy

Insurance company name	
Expiration date	
Expiring Premium	
Auto Liability deductible (if any)	
Auto Liability premium	
Auto Physical Damage deductibles	Comprehensive: Collision:
Auto Physical Damage premium	
Coverage limit	

Property Coverage

1. Quote needed: Yes No
 2. Complete the Property and Inland Marine schedules or attach the schedules from your current insurance policy

Current Policy

Insurance company name	
Expiration date	
Deductible	
Earthquake coverage	
Flood coverage	
Loss of Income limit	
Expiring Premium	
Term	Annual Multi-Year

Equipment Breakdown/Boiler & Machinery Coverage

1. Quote needed: Yes No

Current Policy

Insurance company name	
Expiration date	
Deductible	
Loss of Income limit	
Expiring Premium	
Term	Annual Multi-Year

Crime Coverage

The Pool's Crime coverage fulfills State Board Member bonding requirements.

1. Quote needed: Yes _____ No _____
2. Number of full time employees: _____ Number of part time employees: _____
3. Desired limit of coverage: \$ _____ (\$5,000-\$5,000,000)
An application is required for limits in excess of \$500,000
4. Names of all ERISA plans: \$ _____

Current Policy

Insurance company name		
Expiration date		
Deductible		
Expiring Premium		
Term	Annual	Multi-Year

Public Officials Liability/Wrongful Acts Coverage

Public Officials Liability/Wrongful Acts coverage is automatically included in the Pool's Public Entity Liability coverage document.

Current Policy

Insurance company name		
Expiration date		
Deductible		
Expiring Premium		
Coverage limit		
Annual aggregate coverage limit		
Policy type	Claims-made*	Occurrence

*Retroactive date of Claims-Made policy: _____

Loss History

Please complete the loss history schedule below or attach currently valued Loss Runs from your existing insurance carrier. Provide full details on any claims or suits which have been made against this applicant or its public officials and/or employees during the past eight years.

Loss History and Premium Summary

Complete Loss History starting with current policy term

Year		Property	General Liability	Automobile Liability	Automobile Physical Damage	Public Officials	Equipment Breakdown
	Premium						
	Losses						
	Premium						
	Losses						
	Premium						
	Losses						
	Premium						
	Losses						
	Premium						
	Losses						
	Premium						
	Losses						
	Premium						
	Losses						

Completing the loss history and premium summary for the last eight years will enable the Pool to apply applicable credits.

Property Schedule

Please list all district-owned property and contents (for more space, see page 12). You may use your own spreadsheet/list of buildings and contents, or a current copy of the schedule from your existing policy. Valuations must be 100% of the **Replacement Cost**. Definitions of the construction codes are below.

Location Description and Address (or GPS) Required	Occupancy	Sq. Ft.	Year Built	If more than 30 years old, provide year updates made to:				No. of Stories	% Sprinklered	Fire Prot. Class	Construction Code	Valuation Code	Building / NOC Value	Contents / UG Pipes Value
				Roof	HVAC	Plumbing	Electrical							

Definitions and Codes

Occupancy –how the building is being used. If the location is a well, please include under “Occupancy” what that includes (such as the well house, the water system inside which consists of pumps, meters, chemicals and telemetry, etc).

Fire protection class – the fire protection class can be obtained from your local fire department Property values –100% cost to replace the scheduled property

Building Construction Codes	
<i>FI</i> – Fire Resistive	<i>NC</i> - Noncombustible
<i>MF</i> – Modified Fire Resistive	<i>JM</i> – Jointed Masonry
<i>MN</i> – Masonry	<i>FR</i> - Frame

Valuation Codes
<i>R/C</i> – Replacement Cost
<i>ACV</i> – Actual Cash
<i>AV</i> – Agreed Value

Property Codes	
<i>B</i> - Building	<i>NOC</i> - Not Otherwise Classified
<i>C</i> - Contents	<i>UGP</i> - Under Ground Pipes

Outdoor Property Schedule

Please list fencing, exterior signs (attached or detached), lighting, flagpoles, pavilions, playgrounds or park amenities, paved or concrete walkways, driveways or parking lots. You may use your own spreadsheet/list of outdoor property or a current copy of the schedule from your existing policy.

Property Description	Actual Cash Value (ACV)

*NOTE: Outdoor Property Schedule should **NOT** include Land, Land Improvements, Real Property, Personal Property, Underground pipes, wells or storage tanks, tools, **plants, trees, shrubs, lawns** or water.*

Off-Premises Schedule

Please list any owned property currently located away from the scheduled premises (example: a communication tower or antenna, property in a storage facility, etc).

Location Address (or GPS) Required	Description of Property	Year Built	Actual Cash Value (ACV)

Property Classifications for Construction Codes: General Overview

FIRE RESISTIVE (FI)

A fire resistive building must be constructed of any combination of the following materials:

- Exterior walls or exterior structural frame
 - Solid masonry, including reinforced concrete
 - Hollow masonry not less than 12 inches in thickness
 - Hollow masonry less than 12 inches, but not less than 8 inches in thickness, with a listed fire resistance rating of not less than two hours
 - Assemblies with a fire resistance rating of not less than two hours
- Floors and roof
 - Monolithic floors and roof of reinforced concrete with slabs not less than 4 inches in thickness
 - Construction known as "joist systems" with slabs supported by concrete joists spaced not more than 36 inches on centers with a slab thickness of not less than 2 3/4 inches
 - Floor and roof assemblies with a fire resistance rating of not less than two hours
- Structural metal supports
 - Horizontal and vertical load bearing protected metal supports (including pre-stressed or post tensioned concrete units) with a fire resistance rating of not less than two hours.

Fire resistive construction is the best from an underwriting standpoint. The construction materials are either noncombustible with a fire resistive rating of at least two hours or they are protected through the use of a noncombustible covering such as plaster or gypsum to obtain such a rating.

MODIFIED FIRE RESISTIVE (MF)

A modified fire resistive building has bearing walls (walls supporting the upper floors and roof) and columns of masonry or reinforced concrete construction, just as in the fire resistive category. However, the fire resistance rating of the materials is less than two hours but not less than one hour.

MASONRY NONCOMBUSTIBLE (MN)

In the masonry noncombustible class are buildings with exterior walls of fire resistive construction with a rating of not less than one hour or buildings of masonry construction. Roof and floors must be of noncombustible or slow burning materials. The typical masonry noncombustible building has a masonry nonbearing wall surface, a cement floor, some type of metal deck roof, and unprotected steel webbing supported by unprotected columns and roof members. Low initial cost and low maintenance have made this type of construction extremely popular.

NONCOMBUSTIBLE (NC)

A noncombustible building is a building with exterior walls, roof, and floor constructed of and supported by metal, asbestos, gypsum, or other noncombustible materials. While these buildings are noncombustible, they are not fire resistive. If this type of building is filled with combustible contents, structural failure is extremely likely in the event of a serious fire. The unprotected steel structural supports in this type of building will twist and bend when subjected to extreme heat.

JOISTED MASONRY (JM)

Joisted masonry construction is also referred to as ordinary construction. The joisted masonry class includes buildings with exterior walls of fire resistive construction (not less than one hour) or of masonry construction. The interior framing and floors are of wood or other combustible material. Ordinary construction is also referred to as "brick", "wood joisted", or "brick joisted". Ordinary constructed buildings are found in most of the major metropolitan areas in the northern states. They are infrequently over three stories high, since the exterior walls must be bearing walls. The great majority of these were built prior to World War II. Consequently, underwriters are presented with the potential problems of age, deterioration, and determining proper insurance to value.

FRAME (FR)

A frame building is one which has exterior walls constructed of wood or other combustible materials. Buildings of mixed construction, such as wood frame with brick veneer, stone veneer, aluminum siding, or stucco, are generally classified as frame buildings. A great many dwellings as well as small mercantile buildings are frame. The desirability of frame construction varies somewhat by geographical area. In some parts of the country, the better class of home is of joisted masonry construction. In areas where earthquakes are frequent, most dwellings are of frame construction with stucco. Frame is superior to masonry in its resistance to earthquakes.

NOC (Not Otherwise Classified)

Items that do not fall into any of the above categories will fall under to NOC category. Property such as steel tanks, statues, picnic tables, open shelters, bridges, spillways, light poles, signs, fencing, fire hydrants, and other non-conforming structures that are not technically buildings are all included.

UNDERGROUND PIPES

These need to be added to the Property schedule in order to be covered.

*Administration***McGriff, Seibels, & Williams, Inc.**

PO Box 1539

Portland, Oregon 97207-1539

Phone: (800) 318-8870

Fax: (503) 943-6622

ADDITIONAL INTEREST SCHEDULE

Property

Interest	Name	Address	City, State, Zip Code	Loc. #	Item Description	Loan #

ADDITIONAL INTEREST SCHEDULE

Automobile

Interest	Name	Address	City, State, Zip Code	Vehicle #	Vehicle Description	Loan #

PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

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

ASSESSED VALUATION

Residential	\$ 27,608	\$ 28,286	\$ 27,495
Commercial	-	3,326	2,957
Agricultural	418,707	396,585	364,266
State assessed	3,880	3,870	115,060
Oil and Gas	12,393,483	9,060,839	11,966,166
Natural Resources	5,653	5,653	5,653
Certified Assessed Value	<u>\$ 12,849,331</u>	<u>\$ 9,498,559</u>	<u>\$ 12,481,597</u>

MILL LEVY

General	0.000	0.000	0.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>

PROPERTY TAXES

General	\$ -	\$ -	\$ -
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BUDGETED PROPERTY TAXES

General	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Total revenue	-	-	-
Total funds available	-	-	-
EXPENDITURES			
General and administrative			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

**PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Park & Recreation Financing Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 23, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, 3, and 4. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

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 budget, the amount and timing of any debt issuances is not determinable.

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 that 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 & Expenditures

The District does not anticipate any financial activity in 2023.

Capital Outlay

The District does not anticipate infrastructure improvements during 2023.

Debts and Leases

The District has no debt nor any capital and operating lease.

This information is an integral part of the accompanying budget.