

LETTER OF BUDGET TRANSMITTAL


Date: January 24, 2024

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached is the 2024 budget and budget message for PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT, in Arapahoe County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 25, 2023. If there are any questions on the budget, please contact

CliftonLarsonAllen LLP
Attn: Denise Denslow, District Manager
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.denslow@claconnect.com

I, Denise Denslow, District Manager of the Prosper Water & Sanitation Financing Metropolitan District hereby certify that the attached is a true and correct copy of the 2024 budget.

By: 

Denise Denslow, District Manager

RESOLUTION NO. 2023-10-03

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

**RESOLUTION OF THE BOARD OF DIRECTORS OF
PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT,
ARAPAHOE COUNTY, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S.,
SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING
A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR
2024**

A. The Board of Directors of the Prosper Water & Sanitation Financing Metropolitan District (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body on October 12, 2023 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 25, 2023, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

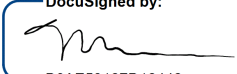
2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

RESOLUTION APPROVED AND ADOPTED on October 25, 2023.

**PROSPER WATER & SANITATION
FINANCING METROPOLITAN
DISTRICT**

By: _____
President

DocuSigned by:

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Attest:

By: _____
Secretary

DocuSigned by:

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EXHIBIT A

Budget

PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/22/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	189,971	249,632	297,552
Specific ownership taxes	11,994	16,748	17,853
Interest income	-	24	-
Other revenue	-	-	4,595
Total revenues	<u>201,965</u>	<u>266,404</u>	<u>320,000</u>
Total funds available	<u>201,965</u>	<u>266,404</u>	<u>320,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	2,850	3,745	4,463
Contingency	-	-	4,595
Operations and maintenance			
Transfer to Prosper Coordinating MD	199,115	262,659	310,942
Total expenditures	<u>201,965</u>	<u>266,404</u>	<u>320,000</u>
Total expenditures and transfers out requiring appropriation	<u>201,965</u>	<u>266,404</u>	<u>320,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/22/23

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 28,286	\$ 27,495	\$ 45,533
Commercial	3,326	2,957	3,280
Agricultural	396,585	364,266	335,202
State assessed	3,870	115,060	141,380
Natural resources	5,653	5,653	5,179
Oil and gas	9,060,839	11,966,166	14,347,004
Certified Assessed Value	\$ 9,498,559	\$ 12,481,597	\$ 14,877,578

MILL LEVY

General	20.000	20.000	20.000
Total mill levy	20.000	20.000	20.000

PROPERTY TAXES

General	\$ 189,971	\$ 249,632	\$ 297,552
Budgeted property taxes	\$ 189,971	\$ 249,632	\$ 297,552

BUDGETED PROPERTY TAXES

General	\$ 189,971	\$ 249,632	\$ 297,552
	\$ 189,971	\$ 249,632	\$ 297,552

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Water & Sanitation 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 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 Park & Recreation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, 3 and 4. The District was established to finance the design, acquisition, installation, construction and completion of public improvements for the operation of water, sewer, drainage and sanitation services.

In the future, the District may issue a portion or all of the authorized 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

Property Taxes

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

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

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes – (continued)

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Operating and Capital Leases

The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Prosper Coordinating Metropolitan District, which pays for all Districts' operations cost, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.

I, Kari Wright, hereby certify that I am the duly appointed Secretary of the Prosper Water & Sanitation Financing Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Prosper Water & Sanitation Financing Metropolitan District held on October 25, 2023.

DocuSigned by:
kari wright
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Secretary

RESOLUTION NO. 2023-10-04

RESOLUTION TO SET MILL LEVIES

RESOLUTION OF THE PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE YEAR 2023, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2024 BUDGET YEAR

A. The Board of Directors of the Prosper Water & Sanitation Financing Metropolitan District (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on October 25, 2023.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general operating expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Prosper Water & Sanitation Financing Metropolitan District, Arapahoe County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Arapahoe County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.


[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on October 25, 2023.

**PROSPER WATER & SANITATION
FINANCING METROPOLITAN
DISTRICT**

By: _____
President

DocuSigned by:

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Attest:

By: _____
Secretary

DocuSigned by:
kari wright
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EXHIBIT 1

Certification of Tax Levies

I, Kari Wright, hereby certify that I am the duly appointed Secretary of the Prosper Water & Sanitation Financing Metropolitan District, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Prosper Water & Sanitation Financing Metropolitan District held on October 25, 2023.

DocuSigned by:
kari wright
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Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

On behalf of the Prosper Water & Sanitation Financing Metropolitan District,
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the Prosper Water & Sanitation Financing Metropolitan District
 (local government)^C


Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 14,877,578 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 14,877,578 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/22/2023 for budget/fiscal year 2024.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>20.000</u> mills	\$ <u>297,552</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	20.000 mills	\$ 297,552
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	20.000 mills	\$ 297,552

Contact person: Jason Carroll Phone: (303) 779-5710
 Signed:  Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

2. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

4. Purpose of Contract: _____
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

PUBLISHER'S AFFIDAVIT

STATE OF COLORADO,)
) SS.
COUNTY OF ARAPAHOE)

I Gerri Sweeney do solemnly affirm that I am the Publisher of THE VILLAGER; that the same is a weekly newspaper published in Greenwood Village, County of Arapahoe, State of Colorado, and has a general circulation therein; that said newspaper has been continuously and uninterruptedly published in said County of Arapahoe for a period of at least 52 consecutive weeks prior to the first publication of the annexed notice, that said newspaper is entered in the post office at Englewood, Colorado, as periodical class mail matter and that said newspaper is a newspaper within the meaning of the Act of General Assembly of the State of Colorado, approved March 30, 1923, and entitled "Legal Notice and Advertisements," with other Acts relating to the printing and publishing of legal notice and advertisements. That the annexed notice was published in the regular and entire issue of said newspaper for a period of ONE consecutive insertions that the first publication of said notice was in the issue of said newspaper dated:

OCTOBER 12 2023

and the last publication of said notice, was in the issue of said newspaper dated:

OCTOBER 12 2023

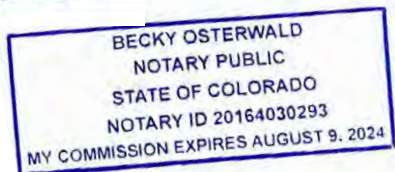
Handwritten signature of Gerri Sweeney
Publisher

Subscribed and affirmed to before me, a Notary Public in the County of ARAPAHOE, State of Colorado,

This 12 th day of October A.D., 20 23

Handwritten signature of Becky Osterwald
Notary Public

My Commission expires:



LEGAL NOTICES
The VILLAGER
October 12, 2023

NOTICE AS TO PROPOSED 2024 BUDGETS AND AMENDMENT OF 2023 BUDGETS

- PROSPER COORDINATING METROPOLITAN DISTRICT
PROSPER METROPOLITAN DISTRICT NO. 1
PROSPER METROPOLITAN DISTRICT NO. 2
PROSPER METROPOLITAN DISTRICT NO. 3
PROSPER METROPOLITAN DISTRICT NO. 4
PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
PROSPER REGIONAL WATER & SANITATION SERVICE METROPOLITAN DISTRICT
PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT
ARAPAHOE COUNTY, COLORADO (COLLECTIVELY, THE "PROSPER DISTRICTS")

NOTICE IS HEREBY GIVEN, pursuant to Sections 29-1-108 and 109, C.R.S., that proposed budgets have been submitted to the Board of Directors of the Prosper Districts for the ensuing year of 2024. The necessity may also arise for the amendment of the 2023 budgets of the Prosper Districts. Copies of the proposed 2024 budgets and 2023 amended budgets (if appropriate) are on file in the office of the Prosper Districts' Accountant, CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111, where same are available for public inspection. Such proposed 2024 budgets and 2023 amended budgets will be considered at a special meeting to be held on Wednesday, October 25, 2023 at 1:30 p.m. via Teams video/teleconference. Any interested elector within the Prosper Districts may, at any time prior to the final adoption of the 2024 budgets or the 2023 amended budgets, inspect the 2024 budgets and the 2023 amended budgets and file or register any objections thereto.

You can attend the meetings in any of the following ways:

- 1. To attend via Teams Videoconference, e-mail sandy.brandenburger@claconnect.com to obtain a link to the videoconference.
2. To attend via telephone, dial 1-720-547-5281 and enter the following additional information:
a. Phone Conference ID: 519 887 887#

PROSPER DISTRICTS

/s/Denise Denslow
Prosper Districts Manager

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Published: October 12, 2023
Legal # 11312