

PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/31/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	298,176	75,615	5,075,550
Specific ownership taxes	17,519	4,537	279,155
Interest income	-	6	-
Other revenue	-	39,518	5,295
Total revenues	<u>315,695</u>	<u>119,676</u>	<u>5,360,000</u>
Total funds available	<u>315,695</u>	<u>119,676</u>	<u>5,360,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	4,473	1,134	76,133
Contingency	-	-	5,295
Operations and maintenance			
Transfer to Prosper Coordinating MD	311,222	118,542	5,278,572
Total expenditures	<u>315,695</u>	<u>119,676</u>	<u>5,360,000</u>
Total expenditures and transfers out requiring appropriation	<u>315,695</u>	<u>119,676</u>	<u>5,360,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/31/25

ACTUAL	ESTIMATED	BUDGET
2024	2025	2026

ASSESSED VALUATION

Residential	\$ 45,533	\$ 45,533	\$ 39,031
Commercial	3,280	4,231	37,138
Agricultural	335,202	335,202	296,855
State assessed	141,380	91,510	93,360
Natural resources	5,179	5,179	5,011
Oil and gas	14,347,004	3,299,096	126,050,450
Certified Assessed Value	\$ 14,877,578	\$ 3,780,751	\$ 126,521,845

MILL LEVY

General	20.000	20.000	40.116
Total mill levy	20.000	20.000	40.116

PROPERTY TAXES

General	\$ 297,552	\$ 75,615	\$ 5,075,550
Levied property taxes	297,552	75,615	5,075,550
Adjustments to actual/rounding	624	-	-
Budgeted property taxes	\$ 298,176	\$ 75,615	\$ 5,075,550

BUDGETED PROPERTY TAXES

General	\$ 298,176	\$ 75,615	\$ 5,075,550
	\$ 298,176	\$ 75,615	\$ 5,075,550

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
2026 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
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes – (continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate	Category	Rate
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		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 5.5% of the property taxes collected.

Expenditures

County Treasurer’s Fees

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

Intergovernmental Expenditures – Transfer to Other Districts

The District has an agreement with Prosper Coordinating Metropolitan District (PCMD) whereby the net revenues generated by the District’s operating mill levies are transferred to PCMD. The operating and administrative expenditures for the District are incurred by PCMD including the estimated services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance and meeting expense.

Capital Outlay

The District does not anticipate infrastructure improvements during 2026.

Debts and Leases

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

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to 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.