

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2025

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

Attached are the 2025 Budget and budget message for the PRAIRIE POINT METROPOLITAN DISTRICT NO. 3 in Arapahoe County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 5, 2024. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Lisa Johnson, District Manager
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-4525
Lisa.Johnson@claconnect.com

I, Lisa Johnson, District Manager of the Prairie Point Metropolitan District No. 3 hereby certify that the attached is a true and correct copy of the 2025 Budget.

By:

Lisa Johnson, District Manager

RESOLUTION NO. 2024-12-02

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF**

**PRAIRIE POINT METROPOLITAN DISTRICT NO. 3, 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 2025**

A. The Board of Directors of Prairie Point Metropolitan District No. 3 (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 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 December 5, 2024, 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
PRAIRIE POINT METROPOLITAN DISTRICT NO. 3, 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.

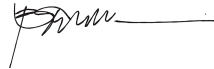
3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND
APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on December 5, 2024.

**PRAIRIE POINT METROPOLITAN
DISTRICT NO. 3**

By: 

President

Attest:

By: *Lisa Jacoby*

Secretary

EXHIBIT A

Budget

PRAIRIE POINT METROPOLITAN DISTRICT NO. 3

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2025

**PRAIRIE POINT METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

12/30/24

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	69	145	245
Specific ownership taxes	5	9	15
ARI - Aurora Regional Improvement Tax	-	-	3
Interest Income	5	4	-
Other Revenue	-	-	600
Total revenues	<u>79</u>	<u>158</u>	<u>863</u>
Total funds available	<u>79</u>	<u>158</u>	<u>863</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	1	2	4
Contingency	-	-	600
Intergovernmental expenditures	78	156	259
Total expenditures	<u>79</u>	<u>158</u>	<u>863</u>
Total expenditures and transfers out requiring appropriation	<u>79</u>	<u>158</u>	<u>863</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PRAIRIE POINT METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

12/30/24

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Agricultural	\$ 829	\$ 1,535	\$ 2,691
Vacant land	-	140	140
Certified Assessed Value	\$ 829	\$ 1,675	\$ 2,831

MILL LEVY

General	82.776	86.591	86.591
Total mill levy	82.776	86.591	86.591

PROPERTY TAXES

General	\$ 69	\$ 145	\$ 245
Levied property taxes	69	145	245
Budgeted property taxes	\$ 69	\$ 145	\$ 245

BUDGETED PROPERTY TAXES

General	\$ 69	\$ 145	\$ 245
	\$ 69	\$ 145	\$ 245

PRAIRIE POINT METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Prairie Point Metropolitan District No. 3 (the "District") was organized January 20, 2006 by Order of the Arapahoe County District Court and has an Amended and Restated Service Plan dated April 22, 2024, to provide financing for the design, acquisition, installation and construction of water, streets, public transportation, traffic safety, parks, open space and recreation, sewer and drainage facilities, mosquito control, limited fire protection and emergency medical, limited television relay and operation and maintenance of the District. The District's service area is located entirely within the City of Aurora in Arapahoe County, Colorado.

On May 2, 2024, Prairie Point Metropolitan District Nos. 1-3 (the "Districts") entered into that certain Third Amended and Restated Prairie Point Community Authority Board Establishment Agreement (the "CABEA"), having an original effective date of September 16, 2021, creating the Prairie Point Community Authority Board (the "CAB"). The CAB was formed for the general purposes of coordinating the provision of services and Public Improvements for the Prairie Point development (the "Development") in accordance land use regulations and development standards of the City of Aurora and Arapahoe County. Among other items, the CABEA establishes that the CAB will issue indebtedness to finance the Public Improvements that the Districts are authorized to finance, construct and/or acquire pursuant to their respective Service Plans, and that the Districts will levy ad valorem property taxes and transfer the related revenue to the CAB for making payment towards such indebtedness and for funding administrative expenses of the Districts as well as operations and maintenance expenses related to the Development.

At the November 6, 2018 election, District voters approved authorization to increase property tax up to \$20,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District. Debt authorization was approved in the amount of \$2,500,000,000 for the above listed facilities and \$250,000,000 for the purpose of refunding debt. The voters also authorized debt of \$250,000,000 for the cost of operating and maintaining the District's systems. The election provided for intergovernmental agreements as multi-fiscal year obligations and allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law. However, pursuant to the District's Service Plan, the total amount of debt that the District is permitted to issue cannot exceed \$250,000,000.

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.

**PRAIRIE POINT METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

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

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. As of December 31, 2025, the adjusted maximum mill levy for debt service is 77.000 mills. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund].

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

For property tax collection year 2025, SB22-238, SB23B-001, SB24-233 and HB24B-1001 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.

**PRAIRIE POINT METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Aurora Regional Improvements Mill Levy

Pursuant to the Service Plan, the District is required to impose a mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time. The District is a participant in the South Aurora Regional Improvement Authority. Revenues collected and held under the ARI mill levy will be held in a segregated account for the benefit of the Authority. The required mill levy is 1.000 mill for collection beginning in the first year of collection of a debt service mill levy and continuing for 20 years, and thereafter, for another 20 years (or until the date of repayment for debt incurred for Public Improvements (excluding Regional Improvements), whichever is first) the required mill levy is 5.000 mills, and for the following 10 years, the required mill levy is equal to the average debt service mill levy imposed in the 10 years prior to the date of repayment of the debt incurred for Public Improvements other than Regional Improvements.

Expenditures

Intergovernmental Expenditure – Prairie Point Community Authority Board

Property taxes generated from the 86.591 mills levied by the District for operations and maintenance, net of fees and other administrative expenditures, are expected to be transferred to the CAB, which pays all other administrative expenditures.

County Treasurer's Fees

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

Debt and Leases

The District has no outstanding debt. Additionally, the District has no operating or capital leases.

Reserve Funds

Emergency Reserves

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 Prairie Point Community Authority Board, which pays for all District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's budget.

This information is an integral part of the accompanying budget.

I, Lisa Jacoby, hereby certify that I am the duly appointed Secretary of the Prairie Point Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2025, duly adopted at a meeting of the Board of Directors of the Prairie Point Metropolitan District No. 3 held on December 5, 2024.

Lisa Jacoby

Secretary

RESOLUTION NO. 2024-12-03

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE PRAIRIE POINT METROPOLITAN DISTRICT NO. 3
LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111,
C.R.S., FOR THE YEAR 2024, TO HELP DEFRAY THE COSTS OF GOVERNMENT
FOR THE 2025 BUDGET YEAR**

A. The Board of Directors of the Prairie Point Metropolitan District No. 3 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on December 5, 2024.

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 fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund 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 Prairie Point Metropolitan District No. 3, Arapahoe County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2025 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 for the purpose of meeting all debt retirement expenses of the District during the 2025 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.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2025 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.

4. 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 OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on December 5, 2024.

**PRAIRIE POINT METROPOLITAN
DISTRICT NO. 3**

By: 

President

Attest:

By: 

Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____, Colorado.

On behalf of the _____,
(taxing entity)^A

the _____,
(governing body)^B

of the _____,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ _____ 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: \$ _____
(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: _____ for budget/fiscal year _____.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	<input type="text"/> mills	\$ <input type="text"/>
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]	<input type="text"/> mills	\$ <input type="text"/>

Contact person: _____ Daytime phone: _____
(print)

Signed: Carrie Santos Title: _____

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.

I, Lisa Jacoby, hereby certify that I am the duly appointed Secretary of the Prairie Point Metropolitan District No. 3, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2025, duly adopted at a meeting of the Board of Directors of the Prairie Point Metropolitan District No. 3 held on December 5, 2024.

Lisa Jacoby

Secretary