

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

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

1/20/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 8,341,633	\$ 8,913,126	\$ 11,117,162
REVENUES			
Credit public improvement fees - PPI	2,421,619	2,500,000	2,685,000
Add-on public improvement fees - DPI	2,500,481	2,550,000	2,736,000
Credit public improvement fees - PRI	605,405	625,000	671,250
Shared sales tax increment	941,040	950,000	1,000,000
Add-on permit fees - DPI	139,811	150,000	90,000
Credit permit fees - PPI	139,811	150,000	90,000
Credit permit fees - PRI	34,953	28,750	22,500
Interest Income	477,705	595,000	430,000
Facilities fees	90,433	170,000	80,000
Reimbursed expenditures	-	90,908	-
Other Revenue	4,326	261,171	196,000
Developer advance - Project Management Fee	-	1,215,000	40,000
City reimbursement - Outfall Channel	-	59,540	100,000
Transfer from District No. 1	1,262,083	705,450	771,426
Transfer from District No. 4	2,329,154	2,752,532	2,748,245
Transfer from District No. 5	456,880	682,085	686,382
Transfer from District No. 6	-	280,676	74,159
Transfer from District No. 10	260,255	362,634	357,485
Bond issuance proceeds	-	39,190,000	-
Total revenues	11,663,956	53,318,746	12,778,447
TRANSFERS IN	1,750,000	7,093,452	2,250,000
Total funds available	21,755,589	69,325,324	26,145,609
EXPENDITURES			
General and administrative	317,008	345,500	608,562
Operations and maintenance	718,954	624,000	683,000
Debt service	8,469,292	10,994,720	9,348,438
Capital projects	1,587,209	39,150,490	2,290,000
Total expenditures	11,092,463	51,114,710	12,930,000
TRANSFERS OUT	1,750,000	7,093,452	2,250,000
Total expenditures and transfers out requiring appropriation	12,842,463	58,208,162	15,180,000
ENDING FUND BALANCES	\$ 8,913,126	\$ 11,117,162	\$ 10,965,609
EMERGENCY RESERVE	\$ 71,100	\$ 89,200	\$ 94,300
AVAILABLE FOR OPERATIONS	366,825	411,427	409,206
SERIES 2007 SUB BONDS - REQ DEBT SERVICE	1,017,150	1,017,150	1,017,150
SERIES 2017 BONDS - REQ DEBT SERVICE	3,572,644	3,572,644	3,572,644
SERIES 2018 BONDS - REQ DEBT SERVICE	346,706	346,706	346,706
SERIES 2024 BONDS - REQ DEBT SERVICE	-	3,453,619	3,453,619
TOTAL RESERVE	\$ 5,374,425	\$ 8,890,746	\$ 8,893,625

No assurance provided. See summary of significant assumptions.

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

1/20/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Agricultural	\$ -	\$ -	\$ 30
State assessed	50	40	40
Vacant land	20	20	60
Personal property	980	820	830
Certified Assessed Value	<u>\$ 1,050</u>	<u>\$ 880</u>	<u>\$ 960</u>

MILL LEVY

Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
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PROPERTY TAXES

Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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BUDGETED PROPERTY TAXES

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

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

1/20/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 437,925	\$ 643,684	\$ 770,412
REVENUES			
Interest Income	5,508	20,000	10,000
Reimbursed expenditures	-	90,908	-
Other Revenue	4,326	-	-
Transfer from District No. 1	1,262,083	705,450	771,426
Transfer from District No. 4	1,358,673	1,605,661	1,603,162
Transfer from District No. 5	91,376	171,399	137,269
Transfer from District No. 6	-	280,676	74,159
Transfer from District No. 10	260,255	362,634	357,485
Total revenues	2,982,221	3,236,728	2,953,501
Total funds available	3,420,146	3,880,412	3,723,913
EXPENDITURES			
General and administrative			
Accounting	103,657	113,000	118,000
Accounting - PIF collection fees	22,738	26,000	27,000
Auditing	11,100	14,500	16,000
Dues and Membership	4,479	4,845	6,000
Insurance	47,463	47,751	57,000
District management	20,514	25,000	35,000
Legal	89,782	80,000	85,000
Miscellaneous	5,479	24,904	48,000
Election	2,296	-	5,000
Operations and maintenance			
Landscaping	166,390	165,000	165,000
Street Repair and Maintenance	190,155	200,000	200,000
Street Sweeping	12,096	-	-
Water Feature Maintenance	22,568	25,000	30,000
Detention Pond Maintenance	29,924	10,000	40,000
Snow removal	130,511	130,000	150,000
Street Lights, Other	8,428	10,000	10,000
Site Lighting	19,910	26,000	28,000
Water Pump	12,064	22,000	24,000
District Asset Management	36,000	36,000	36,000
Bond issuance cost - Series 2024A	90,908	-	-
Total expenditures	1,026,462	960,000	1,080,000
TRANSFERS OUT			
Transfers to CPF	1,750,000	2,150,000	2,150,000
Total expenditures and transfers out requiring appropriation	2,776,462	3,110,000	3,230,000
ENDING FUND BALANCES	\$ 643,684	\$ 770,412	\$ 493,913
EMERGENCY RESERVE	\$ 89,500	\$ 89,200	\$ 94,300
AVAILABLE FOR OPERATIONS	554,184	681,212	399,613
TOTAL RESERVE	\$ 643,684	\$ 770,412	\$ 493,913

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PPI & DPI
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/20/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 6,518,211	\$ 6,679,222	\$ 9,854,512
REVENUES			
Add-on permit fees - DPI	139,811	150,000	90,000
Credit permit fees - PPI	139,811	150,000	90,000
Shared sales tax increment	941,040	950,000	1,000,000
Interest Income	414,523	450,000	400,000
Facilities fees	90,433	170,000	80,000
Other Revenue	-	-	130,000
Credit public improvement fees - PPI	2,421,619	2,500,000	2,685,000
Add-on public improvement fees - DPI	2,500,481	2,550,000	2,736,000
Transfer from District No. 4	970,481	1,146,871	1,145,083
Transfer from District No. 5	365,504	510,686	549,113
Total revenues	7,983,703	8,577,557	8,905,196
TRANSFERS IN			
Transfers from other funds	-	4,883,912	-
Total funds available	14,501,914	20,140,691	18,759,708
EXPENDITURES			
General and administrative			
Paying agent fees	6,000	6,000	6,000
Contingency	-	-	135,562
Debt Service			
Bond Interest - Series 2007	4,523,586	4,627,895	3,000,000
Bond Interest - Series 2017	2,228,106	2,183,738	2,136,025
Bond interest - Series 2024	-	1,528,546	2,302,413
Bond Principal - Series 2017	1,065,000	1,145,000	1,220,000
Bond principal - 2007A	-	795,000	-
Total expenditures	7,822,692	10,286,179	8,800,000
Total expenditures and transfers out requiring appropriation	7,822,692	10,286,179	8,800,000
ENDING FUND BALANCES	\$ 6,679,222	\$ 9,854,512	\$ 9,959,708
SERIES 2007 SUB BONDS - REQ DEBT SERVICE	\$ 1,017,150	\$ 1,017,150	\$ 1,017,150
SERIES 2017 BONDS - REQ DEBT SERVICE	3,572,644	3,572,644	3,572,644
SERIES 2024 BONDS - REQ DEBT SERVICE	-	3,453,619	3,453,619
TOTAL RESERVE	\$ 4,589,794	\$ 8,043,413	\$ 8,043,413

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PRI
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/20/25

	<div> <div>ACTUAL</div> <div>2023</div> </div>	<div> <div>ESTIMATED</div> <div>2024</div> </div>	<div> <div>BUDGET</div> <div>2025</div> </div>
BEGINNING FUND BALANCES	\$ 517,139	\$ 531,529	\$ 492,238
REVENUES			
Credit permit fees - PRI	34,953	28,750	22,500
Interest Income	30,132	25,000	20,000
Other Revenue	-	-	66,000
Credit public improvement fees - PRI	605,405	625,000	671,250
Total revenues	670,490	678,750	779,750
Total funds available	1,187,629	1,210,279	1,271,988
EXPENDITURES			
General and administrative			
Paying agent fees	3,500	3,500	3,500
Contingency	-	-	66,500
Debt Service			
Bond Interest - Series 2018	147,600	119,541	90,000
Bond Principal - Series 2018	505,000	595,000	600,000
Total expenditures	656,100	718,041	760,000
Total expenditures and transfers out requiring appropriation	656,100	718,041	760,000
ENDING FUND BALANCES	\$ 531,529	\$ 492,238	\$ 511,988
SERIES 2018 BONDS - REQ DEBT SERVICE	\$ 346,706	\$ 346,706	\$ 346,706
TOTAL RESERVE	\$ 346,706	\$ 346,706	\$ 346,706

No assurance provided. See summary of significant assumptions.

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

1/20/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 868,358	\$ 1,058,691	\$ -
REVENUES			
Interest Income	27,542	100,000	-
Developer advance - Project Management Fee	-	1,215,000	40,000
Bond issuance proceeds - Series 2024	-	39,190,000	-
Other Revenue	-	261,171	-
Total revenues	27,542	40,766,171	40,000
TRANSFERS IN			
Transfers from CPF - Stormwater	-	59,540	100,000
Transfers from GF	1,750,000	2,150,000	2,150,000
	1,750,000	2,209,540	2,250,000
Total funds available	2,645,900	44,034,402	2,290,000
EXPENDITURES			
Capital Projects			
Repay developer advance	-	35,770,031	1,505,000
Bond issue costs	-	1,637,259	-
Paying agent fees	-	9,000	-
DPI - Project management	57,312	67,000	30,000
DPI - Project management interest	69,342	6,700	10,000
PRI - Project management interest	111	-	-
Retail Two - Road Extension	762,315	453,000	25,000
Retail Four - Road Extension	46,830	1,000,000	50,000
Lutz Reservoir	651,299	30,000	20,000
Village Five Park	-	7,500	650,000
Village Five Trail	-	170,000	-
Total expenditures	1,587,209	39,150,490	2,290,000
TRANSFERS OUT			
Transfers to other fund	-	4,883,912	-
Total expenditures and transfers out requiring appropriation	1,587,209	44,034,402	2,290,000
ENDING FUND BALANCES	\$ 1,058,691	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND - STORMWATER
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
City reimbursement - Outfall Channel	-	59,540	100,000
Total revenues	-	59,540	100,000
Total funds available	-	59,540	100,000
EXPENDITURES			
Total expenditures	-	-	-
TRANSFERS OUT			
Transfers to CPF	-	59,540	100,000
Total expenditures and transfers out requiring appropriation	-	59,540	100,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

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

Services Provided

Prairie Center Metropolitan District No. 3 (District) is a quasi-municipal corporation located within Adams County, Colorado and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized in June 2006, concurrently with Prairie Center Metropolitan District Nos. 4 – 10, pursuant to their Service Plans, all of which were approved by the City of Brighton (City), Colorado on February 21, 2006, and by orders and decrees issued by the District Court in and for Adams County, Colorado, and as modified on November 13, 2006. Prairie Center Metropolitan Districts Nos. 1 and 2 (respectively, District No. 1 and District No. 2) were organized prior to the establishment of the District and have proceeded with development and construction of public improvements. In order to increase development flexibility and to avoid unfairly burdening existing development with the costs of public infrastructure required in future phases, District Nos. 3 – 10 were formed and several inclusions and exclusions of property were completed to generally locate properties in the Initial Planned Development planned for commercial/retail uses in District No. 4 and properties in the Initial Planned Development planned for residential uses in District No. 5. Subsequent to the formation of the District, the obligations of District No. 1 and District No. 2 were assumed by the District as were the assets constructed by those Districts, with the exception of improvements related to the London Mine Water Tunnel and Extension Tunnel Facility and the rights and obligations related to the operation of such Facility. Such rights and obligations were assumed by District No. 9 on January 1, 2008 and were conveyed by District No. 9 to a private entity in 2016. District No. 9 was dissolved in 2019.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including streets, transportation, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators and mosquito and pest control services. The District is authorized to operate and maintain any improvements not otherwise conveyed to the City or other entities.

During elections held on May 2, 2006, a majority of the District's electors authorized general obligation indebtedness of \$6,790,000,000, for the above listed facilities, intergovernmental agreements and debt refunding. Additionally, on May 2, 2006, the District's voters authorized the District to collect, retain and spend all revenues in excess of TABOR spending, revenue raising or other limitations.

The Service Plans for District Nos. 2 – 10 limit the aggregate amount of debt that they may issue together with any debt issued by District No. 1 to \$750,000,000.

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

Revenues

Credit Public Improvement Fees (Credit PIF)

A Comprehensive Agreement, entered into with the City of Brighton and other parties, allows the District to collect 1.25% Credit PIF, for which the City grants a credit against the municipal sales and use taxes that would otherwise be payable on sales and use tax transactions, for use towards Primary Public Improvements (PPI). Primary Public Improvements include major and minor arterial streets and related landscaping and trails, traffic signals, certain potable and non-potable water distribution lines, regional/community/neighborhood parks, trails, and open spaces. The maximum amount of PPI costs ("Cap Amount") that the District can finance from the Credit PIF is approximately \$146 million.

Add-On Public Improvement Fees (Add-on PIF)

The Comprehensive Agreement also allows the District to collect 1% Add-On PIF to finance any other District Public Improvements.

Interest Income

Investment earned on the District's available funds has been estimated based on historical interest earnings.

Transfers from Prairie Center Metropolitan District Nos. 1, 4, 5, 6 and 10

Pursuant to a Capital Pledge Agreement with Prairie Center Metropolitan District Nos. 4 and 5 (Taxing Districts), the District will receive property taxes and specific ownership taxes collected by the Taxing Districts. The debt service tax revenues to be transferred from District Nos. 4 and 5 are pledged for the payment of principal and interest on bonds issued by the District. Further, pursuant to a Facilities Funding, Construction and Operations Agreement entered into by all Prairie Center Districts, District Nos. 1, 4, 5, 6 and 10 are obligated to remit to the District the tax revenues derived from Operation and Maintenance mill levy they imposed on properties within their respective Districts. The Operation and Maintenance tax revenues received by the District from District Nos. 1, 4, 5, 6 and 10 will be used to pay administrative expenditures incurred by all Districts.

City Reimbursement

Pursuant to an intergovernmental agreement with the City of Brighton, the District is to be reimbursed for Outfall Channel Improvements. According to the Agreement, the District's costs for the design, financing and construction of the stormwater improvements are to be reimbursed by the City for certain stormwater impact fees.

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

Revenues - (continued)

Shared Sales Tax Increment

Pursuant to the Cooperation Agreement between the District, the City, and Brighton Urban Renewal Authority (Authority), collectively “the Parties”, if the taxable retail sales within the District are at least equal to \$200 million (but less than \$250 million) in any given calendar year, then the City shall be obligated to transfer to the Authority the applicable allocated increment amount which would be equal to 35% of the General Fund Sales Tax Incremental Revenues received by the City in that year, after the deduction of the City’s General Fund Sales Tax Base Amount and the appropriate share of costs and expenses. The Parties agree that no later than February 20 of each calendar year, the Authority shall remit to the District the allocated increment amount received by the Authority from the City.

Facilities Fees

The District assesses and charges a facilities fee for use of the District’s improvements and service system. The facilities fee for nonresidential structures is seventy-five cents (\$0.75) per square foot of gross building space. The facilities fee for dwelling units are as follows: a) three thousand dollars (\$3,000) per single-family, detached dwelling unit, b) one thousand five hundred dollars (\$1,500) per townhome or condominium, and c) five hundred dollars (\$500) per apartment. The facilities fee is due on or before the date of issuance of a building permit by the City of Brighton or County of Adams.

Expenditures

General, Administrative and Operating Expenditures

General and administrative expenditures include the estimated costs of services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance and other administrative expenses. Estimated expenditures related to street repairs and maintenance, street lights, street sweeping, landscaping, mowing, parks and open space maintenance, utilities and snow removal were also included the General Fund budget.

Capital Outlay

The District anticipates infrastructure improvements during 2025 as reflected in the Capital Projects Fund.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017A and 2017B Limited Property Tax Supported Revenue Bonds. A debt amortization schedule for Series 2018 Bonds has not been provided as additional principal is being paid, in increments of \$5,000, based on excess funds available over the current interest due. Additionally, the District anticipates to pay a portion of the accrued interest on the Series 2007 Subordinate Bonds based on the amount of funds available; therefore, a scheduled amortization has not been included in the budget.

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

Debt and Leases

In June 2007, the District issued Series 2007A Subordinate and Series 2007B Subordinate Bonds in the total amount of \$43,515,000. The Bonds are special limited obligations of the District secured by and payable from the pledged revenues, subject in all respects to the prior lien in favor of the Senior Bonds. The Series 2007A Subordinate Bonds, in the amount of \$40,610,000, are term bonds due on December 15, 2031, at an interest rate of 9.50%. The Series 2007B Subordinate Bonds, in the amount of \$2,905,000, are term bonds due December 15, 2031, at an interest rate of 8.75% through December 14, 2007, and 9.50% thereafter. A portion of the Series 2007A and 2007B were refunded on October 26, 2017 with the Series 2017 Bond issuance discussed below.

On October 26, 2017, the District refunded the Limited Property Tax Supported Revenue Bonds, Series 2006A & 2006B (Series 2006 Bonds) and a portion of the Subordinate Limited Property Tax Supported Revenue Bonds, Series 2007A & 2007B (Series 2007 Bonds) by the issuance of \$49,275,000 Limited Property Tax Supported Revenue Bonds, Series 2017A & 2017B (Series 2017 Bonds). The Series 2017 Bonds, bear interest rates of 4.168% - 5.000% (2017A) and 5.000% (2017B) and mature on 2041, are payable semi-annually on June 15 and December 15. The Series 2017 Bonds were issued for the purpose of providing funds to refund all of the District's Series 2006 Bonds along with a portion of its Series 2007 Bonds and additionally paying the cost of issuance and establishing a Reserve Fund for the Series 2017 Bonds. The Series 2017 Bonds have been structured such that Pledged Revenues generated from Public Improvement Fees, Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues (collectively, the "Shared Revenue") generally will be applied first, to costs of Primary Public Improvements, including payments of principal and interest due with respect to the Series 2017A Bonds and second, to payments of principal and interest due with respect to Bonds issued to finance District Public Improvements, including the Series 2017B Bonds, to the extent necessary to prevent deficiencies in amounts available to pay such Bonds.

The Series 2017 Bonds are tax supported special, limited revenue obligations of the District secured by and payable from pledged revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4 (District No. 4), No. 5 (District No. 5) and No. 10 (District No. 10), and from the imposition by District No. 4 and District No. 5 of ad valorem property taxes not in excess of 50 mills subject to adjustment caused by changes in the method of determining assessed valuation by the State of Colorado, and the related specific ownership taxes.

On March 8, 2018, the District issued \$4,510,000 in Series 2018 Special Revenue Park and Recreation Improvements (PRI) Bonds. The Series 2018 Special Revenue PRI Bonds are term bonds due on December 15, 2042 at an interest rate of 5.125% and are payable on June 15 and December 15. The Series 2018 Bonds were issued for the purpose of providing funds to refund a portion of the District's outstanding PRI Developer Advances and additionally paying the cost of issuance and establishing a Reserve Fund for the Series 2018 Bonds. The Series 2018 Bonds are special, limited revenue obligations of the District secured by and payable from Pledged Revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4, No. 5, and No. 10.

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

Debt and Leases – (continued)

The District issued the Series 2024A Bonds on April 16, 2024, in the amount of \$29,320,000. The Series 2024A Bonds were issued for the purpose of: (i) defraying the costs of a portion of the Preliminary Improvements Project; (ii) refunding a portion of the outstanding Series 2007A Subordinate Bonds; (iii) funding the series 2024A Reserve Account of the Senior Reserve Fund to the Senior Reserve Requirement for the Series 2024A Bonds; and (iv) paying the costs of issuance of the Series 2024A Bonds. The Owners of the Series 2024A Bonds shall not be responsible for the application or disposal by the District or any of its officers of the funds derived from the sale thereof.

The 2024A Bonds will bear interest at a rate of 5.875% payable semi-annually on December 15 and June 15, beginning on December 15, 2024. Annual mandatory sinking fund principal payments are due semi-annually on December 1, beginning on December 1, 2026. The 2024A Bonds mature on December 15, 2046.

To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge. To the extent interest on any Bond is not paid when due, such interest shall compound annually on each December 1 at the rate then borne by the Bond. The District shall not be obligated to pay more than the amount permitted by law in repayment of the Bonds. If any amount of principal of or interest on the Bonds remains unpaid after the application of all.

The Series 2024A Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue. The Subordinate Indenture defines Subordinate Pledged Revenue as the moneys derived by the District from the following sources:

- (a) All PIF Revenue required to be deposited with the Trustee pursuant to the Master Indenture;
- (b) All Facilities Fee Revenue of the Financing Districts;
- (c) All Capital Levies Revenue of the Taxing Districts;
- (d) The portion of the Specific Ownership tax which is collected as a result of the imposition of the Capital Levies;
- (e) The Shared Sales Tax Incremental Revenues;
- (f) The Shared General Fund Sales Tax Revenues;
- (g) Any profit (including interest earnings) from investments of money in certain of the Funds held under the Master Indenture which are credited to the Non-PIF Revenue Account and other Funds and accounts as provided therein;
- (h) Any other legally available amounts that the Issuer may designate, by resolution of its Board, to be paid to the Trustee for the deposit into the Non-PIF Revenue Account or otherwise held under the Master Indenture

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

Debt and Leases – (continued)

The District issued the Series 2024B Bonds on April 16, 2024, in the amounts of \$9,870,000. The Series 2024B Bonds are being issued for the purpose of: (i) defraying the costs of a portion of the District Improvements Project; (ii) funding the series 2024B Reserve Account of the Senior Reserve Fund to the Senior Reserve Requirement for the Series 2024B Bonds; and (iii) paying the costs of issuance of the Series 2024B Bonds. The Owners of the Series 2024B Bonds shall not be responsible for the application or disposal by the District or any of its officers of the funds derived from the sale thereof.

The Series 2024B Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Rather, principal on the Series 2024B Bonds is payable semi-annually on each December 15 and June 15, commencing December 15, 2024, from, and to the extent of available Second Subordinate Pledged Revenue (defined below). The Series 2024B Bonds mature on December 15, 2046.

The Series 2024B Bonds will bear interest at the rate of 5.875% per annum payable semi-annually on each December 15 and June 15, but only from and to the extent of available Second Subordinate Pledged Revenue, beginning on December 15, 2024. To the extent principal of any Series 2024B Bond is not paid when due, such principal shall remain outstanding until the earlier of its payment or December 16, 2069 (the "Subordinate Termination Date"). In the event interest on any Series 2024B Bond is not paid when due, such interest is to compound annually on each December 15, at the rate then borne by the Series 2024B Bond until the earlier of its payment or the Subordinate Termination Date. All of the Series 2024B Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Subordinate Termination Date, regardless of the amount of principal and interest paid prior to such date.

The Series 2024B Bonds are secured by and payable solely from and to the extent of Second Subordinate Pledged Revenue. The Second Subordinate Indenture defines Second Subordinate Pledged Revenue as the moneys derived by the District from the following sources:

- (a) All PIF Revenue required to be deposited with the Trustee pursuant to the Master Indenture;
- (b) All Facilities Fee Revenue of the Financing Districts;
- (c) All Capital Levies Revenue of the Taxing Districts;
- (d) The portion of the Specific Ownership tax which is collected as a result of the imposition of the Capital Levies;
- (e) The Shared Sales Tax Incremental Revenues;
- (f) The Shared General Fund Sales Tax Revenues;
- (g) Any profit (including interest earnings) from investments of money in certain of the Funds held under the Master Indenture which are credited to the Non-PIF Revenue Account and other Funds and accounts as provided therein;
- (h) Any other legally available amounts that the Issuer may designate, by resolution of its Board, to be paid to the Trustee for the deposit into the Non-PIF Revenue Account or otherwise held under the Master Indenture

The Series 2024A Bonds and Series 2024B Bonds are subject to redemption prior to maturity, at the option of the Issuer on any date, on or after December 15, 2033, in whole or in part, at redemption price equal to one hundred percent (100%) of the principal amount thereof, plus interest accrued to the redemption date.

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

Debt and Leases - (continued)

The following is an analysis of anticipated changes in the District's long-term obligations for the years ending December 31, 2024 and 2025:

	Anticipated Balance December 31, 2023	Additions	Retirements	Anticipated Balance December 31, 2024
Bonds Payable				
Series 2007	\$ 33,905,000	\$ -	\$ 795,000	\$ 33,110,000
Series 2017	44,520,000	-	1,145,000	43,375,000
Series 2018	2,465,000	-	595,000	1,870,000
Series 2024	-	39,190,000	-	39,190,000
Accrued Interest on Bonds				
Series 2007	27,441,763	3,170,625	4,627,895	25,984,493
Bond Issue Discount				
Series 2017	(147,716)	-	(12,137)	(135,579)
Series 2018	(28,250)	-	(3,197)	(25,053)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Capital	19,621,311	-	19,621,311	-
Accrued Interest on				
Debt Service	3,288,054	633,532	-	3,921,586
Capital	22,435,811	2,051,436	16,148,720	8,338,527
Funding Fee Payable	1,389,713	110,000	-	1,499,713
Total	<u>\$ 156,957,649</u>	<u>\$ 45,155,593</u>	<u>\$ 42,917,592</u>	<u>\$ 159,195,650</u>
	Anticipated Balance December 31, 2024	Additions	Retirements	Anticipated Balance December 31, 2025
Bonds Payable				
Series 2007	\$ 33,110,000	\$ -	\$ -	\$ 33,110,000
Series 2017	43,375,000	-	1,220,000	42,155,000
Series 2018	1,870,000	-	600,000	1,270,000
Series 2024	39,190,000	-	-	39,190,000
Accrued Interest on Bonds				
Series 2007	25,984,493	3,145,450	3,000,000	26,129,943
Bond Issue Discount				
Series 2017	(135,579)	-	(11,872)	(123,707)
Series 2018	(25,053)	-	(3,186)	(21,867)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Accrued Interest on				
Debt Service	3,921,586	644,000	-	4,565,586
Capital	8,338,527	897,000	1,505,000	7,730,527
Funding Fee Payable	1,499,713	80,000	-	1,579,713
Total	<u>\$ 159,195,650</u>	<u>\$ 4,766,450</u>	<u>\$ 6,309,942</u>	<u>\$ 157,652,158</u>

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

Debt and Leases - (continued)

The District has no outstanding operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2025 as defined under TABOR.

Debt Service Reserves

The Series 2007 Bonds are secured by funds to be held by the Trustee in the Reserves Funds of the amount equal to 3% of the outstanding principal.

The Series 2017 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$3,572,644.

The Series 2018 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$346,706.

The Series 2024 Bonds are secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$3,453,619.

This information is an integral part of the accompanying budget.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Bonds and Interest Maturing in the Year Ending December 31,	\$47,095,000			\$2,215,000					
	Limited Property Tax Supported			Limited Property Tax Supported					
	Revenue Bonds, Series 2017A			Revenue Bonds, Series 2017B					
	Dated October 26, 2017			Dated October 26, 2017					
	Interest Rates: 4.168% - 5.000%			Interest Rate: 5.000%					
	Interest Payable June 15 and December 15			Interest Payable June 15 and December 15					
	Principal Due December 15			Principal Due December 15			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 1,165,000	\$ 2,040,525	\$ 3,205,525	\$ 55,000	\$ 95,500	\$ 150,500	\$ 1,220,000	\$ 2,136,025	\$ 3,356,025
2026	1,250,000	1,992,469	3,242,469	60,000	92,750	152,750	1,310,000	2,085,219	3,395,219
2027	1,325,000	1,940,906	3,265,906	65,000	89,750	154,750	1,390,000	2,030,656	3,420,656
2028	1,415,000	1,886,250	3,301,250	70,000	86,500	156,500	1,485,000	1,972,750	3,457,750
2029	1,515,000	1,815,500	3,330,500	75,000	83,000	158,000	1,590,000	1,898,500	3,488,500
2030	1,625,000	1,739,750	3,364,750	80,000	79,250	159,250	1,705,000	1,819,000	3,524,000
2031	1,735,000	1,658,500	3,393,500	85,000	75,250	160,250	1,820,000	1,733,750	3,553,750
2032	1,860,000	1,571,750	3,431,750	90,000	71,000	161,000	1,950,000	1,642,750	3,592,750
2033	1,975,000	1,478,750	3,453,750	100,000	66,500	166,500	2,075,000	1,545,250	3,620,250
2034	2,115,000	1,380,000	3,495,000	105,000	61,500	166,500	2,220,000	1,441,500	3,661,500
2035	2,250,000	1,274,250	3,524,250	110,000	56,250	166,250	2,360,000	1,330,500	3,690,500
2036	2,615,000	1,161,750	3,776,750	130,000	50,750	180,750	2,745,000	1,212,500	3,957,500
2037	2,780,000	1,031,000	3,811,000	140,000	44,250	184,250	2,920,000	1,075,250	3,995,250
2038	3,305,000	892,000	4,197,000	165,000	37,250	202,250	3,470,000	929,250	4,399,250
2039	3,675,000	726,750	4,401,750	180,000	29,000	209,000	3,855,000	755,750	4,610,750
2040	3,910,000	543,000	4,453,000	190,000	20,000	210,000	4,100,000	563,000	4,663,000
2041	6,950,000	347,500	7,297,500	210,000	10,500	220,500	7,160,000	358,000	7,518,000
	\$ 41,465,000	\$ 23,480,650	\$ 64,945,650	\$ 1,910,000	\$ 1,049,000	\$ 2,959,000	\$ 43,375,000	\$ 24,529,650	\$ 67,904,650

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Bonds and Interest Maturing in the Year Ending December 31,	\$29,320,000			\$9,870,000					
	Limited Property Tax Supported			Limited Property Tax Supported					
	Revenue Bonds, Series 2024A			Revenue Bonds, Series 2024B					
	Dated April 16, 2024			Dated April 16, 2024					
	Interest Rates: 5.875%			Interest Rates: 5.875%					
	Interest Payable June 15 and December 15			Interest Payable June 15 and December 15			Totals		
	Principal Due December 15			Principal Due December 15					
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2025	\$ -	\$ 1,722,550	\$ 1,722,550	\$ -	\$ 579,863	\$ 579,863	\$ -	\$ 2,302,413	\$ 2,302,413
2026	60,000	1,722,550	1,782,550	20,000	579,863	599,863	80,000	2,302,413	2,382,413
2027	120,000	1,719,025	1,839,025	40,000	578,688	618,688	160,000	2,297,713	2,457,713
2028	180,000	1,711,975	1,891,975	60,000	576,338	636,338	240,000	2,288,313	2,528,313
2029	230,000	1,701,400	1,931,400	75,000	572,813	647,813	305,000	2,274,213	2,579,213
2030	290,000	1,687,888	1,977,888	100,000	568,406	668,406	390,000	2,256,294	2,646,294
2031	350,000	1,670,850	2,020,850	115,000	562,531	677,531	465,000	2,233,381	2,698,381
2032	420,000	1,650,288	2,070,288	140,000	555,775	695,775	560,000	2,206,063	2,766,063
2033	485,000	1,625,613	2,110,613	165,000	547,550	712,550	650,000	2,173,163	2,823,163
2034	565,000	1,597,119	2,162,119	190,000	537,856	727,856	755,000	2,134,975	2,889,975
2035	640,000	1,563,925	2,203,925	215,000	526,694	741,694	855,000	2,090,619	2,945,619
2036	745,000	1,526,325	2,271,325	250,000	514,063	764,063	995,000	2,040,388	3,035,388
2037	830,000	1,482,556	2,312,556	280,000	499,375	779,375	1,110,000	1,981,931	3,091,931
2038	865,000	1,433,794	2,298,794	290,000	482,925	772,925	1,155,000	1,916,719	3,071,719
2039	800,000	1,382,975	2,182,975	270,000	465,888	735,888	1,070,000	1,848,863	2,918,863
2040	870,000	1,335,975	2,205,975	295,000	450,025	745,025	1,165,000	1,786,000	2,951,000
2041	1,495,000	1,284,863	2,779,863	505,000	432,694	937,694	2,000,000	1,717,556	3,717,556
2042	3,540,000	1,197,031	4,737,031	1,190,000	403,025	1,593,025	4,730,000	1,600,056	6,330,056
2043	3,785,000	989,056	4,774,056	1,275,000	333,113	1,608,113	5,060,000	1,322,169	6,382,169
2044	4,060,000	766,688	4,826,688	1,370,000	258,206	1,628,206	5,430,000	1,024,894	6,454,894
2045	4,345,000	528,163	4,873,163	1,460,000	177,719	1,637,719	5,805,000	705,881	6,510,881
2046	4,645,000	272,894	4,917,894	1,565,000	91,944	1,656,944	6,210,000	364,838	6,574,838
	<u>\$ 29,320,000</u>	<u>\$ 30,573,500</u>	<u>\$ 59,893,500</u>	<u>\$ 9,870,000</u>	<u>\$ 10,295,351</u>	<u>\$ 20,165,351</u>	<u>\$ 39,190,000</u>	<u>\$ 40,868,851</u>	<u>\$ 80,058,851</u>

No assurance provided. See summary of significant assumptions.