

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE PRAIRIE CENTER
METROPOLITAN DISTRICT NO. 3 (the “District”)
HELD
DECEMBER 2, 2020**

A special meeting of the Board of Directors of the Prairie Center Metropolitan District No. 3 (referred to hereafter as “Board”) was convened on Wednesday, the 2nd day of December, 2020, at 4:00 P.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held and properly noticed to be held via Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Michael Tamblyn (via Zoom)
Mark A. Waggoner (via Zoom)

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc. (via Zoom)

Elizabeth Cortese, Esq.; McGeady Becher P.C (via Zoom)

Thuy Dam; CliftonLarsonAllen LLP (via Zoom)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. Attorney Cortese requested members of the Board 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 the statute. It was further noted by Attorney Cortese that all Directors’ Disclosure Statements have been filed and no additional conflicts were disclosed.

ADMINISTRATIVE MATTERS

Quorum / Meeting Location / Posting of Meeting Notices: Attorney Cortese noted that a quorum was present. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District’s board meeting. The Board determined that, due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the

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spread of the virus by limiting in-person contact, the meeting would be held via Zoom video/telephone conference without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Finn 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 from any taxpaying electors within the District boundaries.

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Waggoner, seconded by Director Tamblyn and, upon vote, unanimously carried, the Agenda was approved, as presented.

Consent Agenda: The Board considered the following actions:

- Approve Minutes of the July 22, 2020 and October 14, 2020 Special Meetings.
- Ratify approval of payment of claims for the period beginning October 1, 2020 through November 30, 2020 totaling \$277,185.37.
- Authorize District Manager to post transparency notice on the SDA Website pursuant to Section 32-1-809, C.R.S.
- Ratify approval of Service Agreement for Concrete Repair Work between the District and Three Brothers Concrete, Inc.

Following review, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

Resolution No. 2020-12-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The Board reviewed Resolution No. 2020-12-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

The Board determined to meet on April 7, August 4, and December 1, 2021 at 4:00 p.m. at the Kacey Building, 1201 Auraria Pkwy, Denver, Colorado.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-12-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

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PUBLIC COMMENT There was no public comment.

FINANCIAL MATTERS

Unaudited Financial Statements: Ms. Dam presented and reviewed the unaudited financial statements for the period ending September 30, 2020.

Following review and discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the unaudited financial statements for the period ending September 30, 2020 were accepted, as presented.

2020 Audit: The Board reviewed the proposal from Wipfli LLP to perform the 2020 Audit.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved the engagement of Wipfli LLP to perform the 2020 Audit, for an amount not to exceed \$4,300.

2020 Budget Amendment Hearing: The President opened the public hearing to consider a Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2020 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 this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Tamblyn moved to adopt Resolution No. 2020-12-02 to Amend the 2020 Budget, Director Waggoner seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-12-02 to Amend the 2020 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2021 Budget: The President opened the public hearing to consider the proposed 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2021 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 this public hearing.

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

Ms. Dam reviewed the estimated 2020 expenditures and the proposed 2021 expenditures. It was noted that no mill levy will be imposed.

Following discussion, the Board considered the adoption of Resolution No. 2020-12-03 to Adopt the 2021 Budget and Appropriate Sums of Money. Upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, Resolution No. 2020-12-03 was adopted, as discussed, and execution of the Certification of Budget was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2020. The District Accountant was directed to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2021. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification: Ms. Dam discussed with the Board the DLG-70 Mill Levy Certification form.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 mill levy certification form, for certification to the Board of County Commissioners and other interested parties.

Preparation of the 2022 Budget: The Board discussed preparation of the 2022 Budget.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner, and upon vote, unanimously carried, the Board appointed CliftonLarsonAllen LLP to prepare the 2022 Budget, and directed that the 2022 Budget be the same as the 2021 Adopted Budget, unless a Board Member provides input to otherwise adjust those assumptions.

LEGAL MATTERS

Operations Financing Intergovernmental Agreement between Prairie Center Metropolitan District No. 1 and Prairie Center Metropolitan District No. 3: Attorney Cortese discussed with the Board an Operations Financing Intergovernmental Agreement between Prairie Center Metropolitan District No. 1 and Prairie Center Metropolitan District No. 3. The Board deferred action.

Confidentiality Agreement: Attorney Cortese reported to the Board on her conversations with Attorney Tasker regarding a possible Confidentiality

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Agreement between the District and the City of Brighton concerning sales tax collections. No action was taken by the Board.

CAPITAL IMPROVEMENTS

Construction Status Report for Prairie Center Retail 3 Project: Director Tamblyn reported to the Board that retail sales are strong, but leasing has been slow on the retail side.

OPERATIONS

2021 Service Agreements: The Board reviewed Service Agreements between the District and the following Contractors:

1. Site Lighting Services (Colorado Lighting, Inc.).
2. Landscape Maintenance (Vargas Property Services, Inc.)
3. Fountain Maintenance (Pinnacle Landscape and Xeriscape, Inc.).

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved the Service Agreements and/or necessary change orders between the District and the above listed contractors.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By 
Secretary for the Meeting

RESOLUTION TO AMEND 2020 BUDGET
PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

WHEREAS, the Board of Directors of the Prairie Center Metropolitan District No. 3 adopted a budget and appropriated funds for the fiscal year 2020 as follows:

General Fund	\$	3,305,000
Debt Service Fund PPI & DPI	\$	5,596,000
Debt Service Fund PRI	\$	445,000
Capital Projects Fund	\$	1,450,000
Capital Projects Fund – Stormwater	\$	450,000

WHEREAS, the necessity has arisen for additional expenditures in the General Fund and Debt Service Fund PRI requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2020; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the General Fund from transfers from other Districts; and

WHEREAS, funds are available for such expenditures in the Debt Service Fund PRI from Credit public improvements fees and Credit permit fees.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Prairie Center Metropolitan District No. 3 shall and hereby does amend the Budget for the fiscal year 2020 and adopts a supplemental budget and appropriation for the General Fund and Debt Service Fund PRI for the fiscal year 2020 as follows:

General Fund	\$	3,800,000
Debt Service Fund PRI	\$	600,000

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 2nd day of December, 2020.

PRAIRIE CENTER METROPOLITAN
DISTRICT NO. 3

By: 
Secretary

RESOLUTION NO. 2020 - 12 - 02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
TO ADOPT THE 2021 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Prairie Center Metropolitan District No. 3 ("District") has appointed the District Accountant to prepare and submit a proposed 2021 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2020, for its consideration; and

WHEREAS, 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 2, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, 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; and

WHEREAS, 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.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, 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, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

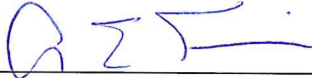
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Prairie Center Metropolitan District No. 3:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Prairie Center Metropolitan District No. 3 for the 2021 fiscal year.

2. That the budget, as 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. That 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.

ADOPTED this 2nd day of December, 2020.



Secretary

(SEAL)

EXHIBIT A
(Budget)

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/2020

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 4,962,403	\$ 5,513,797	\$ 7,042,272
REVENUES			
Add-on public improvement fees - DPI	1,910,397	1,950,000	2,050,000
Add-on permit fees - DPI	113,016	-	-
City reimbursement - Outfall Channel	868,805	258,123	-
Credit public improvement fees - PPI	1,838,693	1,900,000	1,995,000
Credit public improvement fees - PRI	460,183	475,000	499,000
Credit permit fees - PPI	113,016	-	-
Credit permit fees - PRI	28,250	-	-
Developer advance	406,228	-	-
Facilities fees	87,382	-	-
Interest income	150,296	38,500	16,000
Other revenue	88,950	210,000	-
Shared sales tax increment	426,502	447,000	470,000
Transfer from District No. 1	50,000	2,238,000	2,645,000
Transfer from District No. 4	1,628,272	1,998,554	2,253,430
Transfer from District No. 5	117,000	400,499	377,975
Transfer from District No. 10	175,301	270,265	299,892
Total revenues	<u>8,462,291</u>	<u>10,185,941</u>	<u>10,606,297</u>
TRANSFERS IN	<u>868,805</u>	<u>1,758,123</u>	<u>3,470,000</u>
Total funds available	<u>14,293,499</u>	<u>17,457,861</u>	<u>21,118,569</u>
EXPENDITURES			
General Fund	1,502,597	2,160,642	900,000
Debt Service Fund - PPI & DPI	5,228,526	5,389,256	5,750,000
Debt Service Fund - PRI	507,209	528,294	500,000
Capital Projects Fund	672,565	579,274	3,469,000
Total expenditures	<u>7,910,897</u>	<u>8,657,466</u>	<u>10,619,000</u>
TRANSFERS OUT	<u>868,805</u>	<u>1,758,123</u>	<u>3,470,000</u>
Total expenditures and transfers out requiring appropriation	<u>8,779,702</u>	<u>10,415,589</u>	<u>14,089,000</u>
ENDING FUND BALANCES	<u>\$ 5,513,797</u>	<u>\$ 7,042,272</u>	<u>\$ 7,029,569</u>
EMERGENCY RESERVE	\$ 36,000	\$ 112,700	\$ 130,100
2007 SUBORDINATE BONDS - REQ DEBT SERVICE	1,017,150	1,017,150	1,017,150
2017 SENIOR BONDS - REQ DEBT SERVICE	3,572,644	3,572,644	3,572,644
2018 SENIOR RESERVE	346,706	346,706	346,706
TOTAL RESERVE	<u>\$ 4,972,500</u>	<u>\$ 5,049,200</u>	<u>\$ 5,066,600</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/2020

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
State assessed	\$ -	\$ 160	\$ 320
Vacant land	20	20	20
Personal property	-	3,090	6,050
Certified Assessed Value	\$ 20	\$ 3,270	\$ 6,390
 MILL LEVY			
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

12/19/2020

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 492,612	\$ 277,490	\$ 581,067
REVENUES			
Transfer from District No. 1	50,000	2,238,000	2,645,000
Transfer from District No. 4	949,825	1,165,858	1,314,501
Transfer from District No. 5	23,399	80,096	75,590
Transfer from District No. 10	175,301	270,265	299,892
Other revenue	88,950	210,000	-
Total revenues	<u>1,287,475</u>	<u>3,964,219</u>	<u>4,334,983</u>
Total funds available	<u>1,780,087</u>	<u>4,241,709</u>	<u>4,916,050</u>
EXPENDITURES			
General and administrative			
Accounting - recurring	86,343	83,700	88,200
Accounting - non-recurring project	15,570	18,000	18,000
Accounting - PIF collection fees	18,512	19,800	20,700
Audit	4,675	4,410	4,680
District management	29,502	30,000	38,700
District asset management	36,000	36,000	36,000
District No. 9 - consultants	7,413	-	-
Dues and memberships	3,035	2,814	3,500
Insurance and bonds	39,762	33,873	40,000
Legal	33,377	36,000	54,000
Election expense	-	1,109	-
Miscellaneous/Contingency	13,877	15,000	19,220
Repayment of Developer advance	406,228	1,186,059	-
Eagle monument maintenance			
Electric - site lighting	21,230	22,000	22,000
Water feature maintenance	5,260	10,000	15,000
Electric - water pump	14,449	15,000	15,000
Operations and maintenance			
Detention pond maintenance	16,077	25,000	25,000
Electric - street lights, other	19,409	20,000	20,000
Landscaping	141,978	125,000	125,000
Street sweeping	6,936	12,000	15,000
Streets repairs and maintenance	413,956	200,000	200,000
Snow removal	129,885	130,000	130,000
Water and sewer	39,123	10,000	10,000
Site lighting	-	124,877	-
Total expenditures	<u>1,502,597</u>	<u>2,160,642</u>	<u>900,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>1,500,000</u>	<u>3,470,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,502,597</u>	<u>3,660,642</u>	<u>4,370,000</u>
ENDING FUND BALANCES	<u>\$ 277,490</u>	<u>\$ 581,067</u>	<u>\$ 546,050</u>
EMERGENCY RESERVE	<u>\$ 36,000</u>	<u>\$ 112,700</u>	<u>\$ 130,100</u>
TOTAL RESERVE	<u>\$ 36,000</u>	<u>\$ 112,700</u>	<u>\$ 130,100</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PPI & DPI
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/2020

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 5,166,600	\$ 5,337,825	\$ 5,433,668
REVENUES			
Add-on public improvement fees - DPI	1,910,397	1,950,000	2,050,000
Add-on permit fees - DPI	113,016	-	-
Credit public improvement fees - PPI	1,838,693	1,900,000	1,995,000
Credit permit fees - PPI	113,016	-	-
Facilities fees	87,382	-	-
Interest income	138,697	35,000	15,000
Shared sales tax increment	426,502	447,000	470,000
Transfer from District No. 4	678,447	832,696	938,929
Transfer from District No. 5	93,601	320,403	302,385
Total revenues	5,399,751	5,485,099	5,771,314
Total funds available	10,566,351	10,822,924	11,204,982
EXPENDITURES			
Bond interest - Series 2007	2,129,307	2,200,000	2,500,000
Bond interest - Series 2017	2,373,219	2,343,256	2,308,256
Bond principal - Series 2017	720,000	840,000	925,000
Miscellaneous/Contingency	-	-	10,744
Paying agent fees	6,000	6,000	6,000
Total expenditures	5,228,526	5,389,256	5,750,000
Total expenditures and transfers out requiring appropriation	5,228,526	5,389,256	5,750,000
ENDING FUND BALANCES	\$ 5,337,825	\$ 5,433,668	\$ 5,454,982
2007 SUBORDINATE BONDS - REQ DEBT SERVICE	\$ 1,017,150	\$ 1,017,150	\$ 1,017,150
2017 SENIOR BONDS - REQ DEBT SERVICE	3,572,644	3,572,644	3,572,644
TOTAL RESERVE	\$ 4,589,794	\$ 4,589,794	\$ 4,589,794

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PRI
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/2020

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 484,920	\$ 477,741	\$ 427,947
REVENUES			
Interest income	11,599	3,500	1,000
Credit public improvement fees - PRI	460,183	475,000	499,000
Credit permit fees - PRI	28,250	-	-
Total revenues	<u>500,032</u>	<u>478,500</u>	<u>500,000</u>
Total funds available	<u>984,952</u>	<u>956,241</u>	<u>927,947</u>
EXPENDITURES			
Bond principal - Series 2018	285,000	318,000	285,000
Bond interest - Series 2018	218,709	206,794	200,000
Contingency	-	-	11,500
Debt Service			
Paying agent fees	3,500	3,500	3,500
Total expenditures	<u>507,209</u>	<u>528,294</u>	<u>500,000</u>
Total expenditures and transfers out requiring appropriation	<u>507,209</u>	<u>528,294</u>	<u>500,000</u>
ENDING FUND BALANCES	<u>\$ 477,741</u>	<u>\$ 427,947</u>	<u>\$ 427,947</u>
2018 SENIOR RESERVE	<u>\$ 346,706</u>	<u>\$ 346,706</u>	<u>\$ 346,706</u>
TOTAL RESERVE	<u>\$ 346,706</u>	<u>\$ 346,706</u>	<u>\$ 346,706</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/2020

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ (1,181,729)	\$ (579,259)	\$ 599,590
REVENUES			
Developer advance	406,228	-	-
Total revenues	<u>406,228</u>	<u>-</u>	<u>-</u>
TRANSFERS IN			
Transfer from CPF - Stormwater	868,805	258,123	-
Transfers from GF	-	1,500,000	3,470,000
Total funds available	<u>93,304</u>	<u>1,178,864</u>	<u>4,069,590</u>
EXPENDITURES			
General and Administrative			
Accounting - recurring	9,594	9,300	9,800
Accounting - non-recurring project	1,730	2,000	2,000
Accounting - PIF collection fees	2,057	2,000	2,300
Audit	-	490	520
District management	3,278	3,000	4,300
Legal services - PPI	3,709	4,000	5,000
Miscellaneous/Contingency	-	-	227,980
Repayment of Developer advance	-	500,000	2,100,000
PPI			
Retail Three - Streets	358,980	5,770	-
Village 5 Collector Roads - PPI	723	-	575,000
Retail Three - Storm Drainage	95,315	-	-
Retail Four	20,683	-	-
Retail Four - Road Extension	94,153	6,144	-
Retail Three - Road Extension	14,163	-	-
Medical Center Drive	-	-	450,000
DPI			
DPI - Project management	22,817	6,500	47,000
DPI - Project management interest	45,283	40,000	45,000
PRI			
PRI - Project management interest	80	70	100
Total expenditures	<u>672,565</u>	<u>579,274</u>	<u>3,469,000</u>
Total expenditures and transfers out requiring appropriation	<u>672,565</u>	<u>579,274</u>	<u>3,469,000</u>
ENDING FUND BALANCES	<u>\$ (579,259)</u>	<u>\$ 599,590</u>	<u>\$ 600,590</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
 CAPITAL PROJECTS FUND STORMWATER
 2021 BUDGET
 WITH 2019 ACTUAL AND 2020 ESTIMATED
 For the Years Ended and Ending December 31,**

12/19/2020

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
City reimbursement - Outfall Channel	868,805	258,123	-
Total revenues	<u>868,805</u>	<u>258,123</u>	<u>-</u>
Total funds available	<u>868,805</u>	<u>258,123</u>	<u>-</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfers to CPF	<u>868,805</u>	<u>258,123</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>868,805</u>	<u>258,123</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 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.

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 expend 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
2021 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, 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. 4, 5 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. 4, 5 and 10 will be used to pay administrative expenditures incurred by all Districts. District No. 1 will transfer its property and specific ownership tax revenues, net of its own administrative expenditures, to District No. 3's General Fund as consideration for the benefits derived from the public improvements constructed, operated and maintained by District No. 3 which benefit the service area of District No. 1.

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
2021 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 \$150 million (but less than \$200 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 30% 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.

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 2021 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.

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.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases - (continued)

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 Districts 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
2021 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, 2020 and 2021.

	Balance - December 31, 2019	Additions	Retirements	Anticipated Balance - December 31, 2020
Bonds Payable				
Series 2007	\$ 33,905,000	\$ -	\$ -	\$ 33,905,000
Series 2017	48,350,000	-	840,000	47,510,000
Series 2018	4,050,000	-	318,000	3,732,000
Accrued Interest on Bonds				
Series 2007	27,695,238	3,220,975	2,200,000	28,716,213
Bond Issue Discount				
Series 2017	(198,568)	-	(13,190)	(185,378)
Series 2018	(41,170)	-	(6,050)	(35,120)
Developer Advance				
Operating	1,073,883	-	1,073,883	-
Debt Service	2,066,963	-	-	2,066,963
Capital	20,183,665	-	-	20,183,665
Accrued Interest on				
Operating	45,846	66,330	112,176	-
Debt Service	1,843,122	261,087	-	2,104,209
Capital	14,456,168	2,312,993	500,000	16,269,161
Funding Fee Payable	1,125,816	-	-	1,125,816
Total	\$ 154,555,963	\$ 5,861,385	\$ 5,024,819	\$ 155,392,529

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

	Anticipated			Anticipated
	Balance -			Balance -
	December 31,			December 31,
	2020	Additions	Retirements	2021
Bonds Payable				
Series 2007	\$ 33,905,000	\$ -	\$ -	\$ 33,905,000
Series 2017	47,510,000	-	925,000	46,585,000
Series 2018	3,732,000	-	285,000	3,447,000
Accrued Interest on Bonds				
Series 2007	28,716,213	3,220,975	2,500,000	29,437,188
Bond Issue Discount				
Series 2017	(185,378)	-	(13,190)	(172,188)
Series 2018	(35,120)	-	(6,050)	(29,070)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Capital	20,183,665	-	-	20,183,665
Accrued Interest on				
Debt Service	2,104,209	264,772	-	2,368,981
Capital	16,269,161	2,313,899	2,100,000	16,483,060
Funding Fee Payable	1,125,816	40,000	-	1,165,816
Total	\$ 155,392,529	\$ 5,839,646	\$ 5,790,760	\$ 155,441,415

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 2021 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.

This information is an integral part of the accompanying budget.

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

Bonds and Interest Maturing in the Year Ending December 31,	\$47,095,000			\$2,215,000			Totals		
	Limited Property Tax Supported Revenue Bonds, Series 2017A Dated October 26, 2017 Interest Rates: 4.168% - 5.000%			Limited Property Tax Supported Revenue Bonds, Series 2017B Dated October 26, 2017 Interest Rate: 5.000%					
	Interest Payable June 15 and December 15 Principal Due December 15			Interest Payable June 15 and December 15 Principal Due December 15					
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 885,000	\$ 2,203,256	\$ 3,088,256	\$ 40,000	\$ 105,000	\$ 145,000	\$ 925,000	\$ 2,308,256	\$ 3,233,256
2022	955,000	2,166,750	3,121,750	45,000	103,000	148,000	1,000,000	2,269,750	3,269,750
2023	1,015,000	2,127,356	3,142,356	50,000	100,750	150,750	1,065,000	2,228,106	3,293,106
2024	1,090,000	2,085,488	3,175,488	55,000	98,250	153,250	1,145,000	2,183,738	3,328,738
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
	<u>\$ 45,410,000</u>	<u>\$ 32,063,500</u>	<u>\$ 77,473,500</u>	<u>\$ 2,100,000</u>	<u>\$ 1,456,000</u>	<u>\$ 3,556,000</u>	<u>\$ 47,510,000</u>	<u>\$ 33,519,500</u>	<u>\$ 81,029,500</u>

I, Ann E. Finn, hereby certify that I am the duly appointed Secretary of the Prairie Center Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2021, duly adopted at a meeting of the Board of Directors of the Prairie Center Metropolitan District No. 3 held on December 2, 2020.

By: 
Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Adams County, Colorado.

On behalf of the Prairie Center Metropolitan District No. 3,
(taxing entity)^A

the Board of Directors,
(governing body)^B

of the Prairie Center Metropolitan District No. 3,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 6,390 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: \$ 6,390 (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: 12/14/2020 for budget/fiscal year 2021.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	0.000 mills	\$ 0
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
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]	0.000 mills	\$ 0

Contact person: Gigi Pangindian Daytime phone: (303) 779-5710
(print)
Signed: Gigi Pangindian Title: Accountant for the District

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.