PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
Adams County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2022

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YEAR ENDED DECEMBER 31, 2022

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Board of Directors
Prairie Center Metropolitan District No. 3
Adams County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Prairie Center Metropolitan District No. 3 (the "District"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Prairie Center Metropolitan District No. 3 as of December 31, 2022, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Wipfli LLP
Lakewood, Colorado

July 10, 2023

BASIC FINANCIAL STATEMENTS

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments	$ 404,828
Cash and Investments - Restricted	7,109,230
Accounts Receivable - Add-On Public Improvement Fees from Retail Sales	461,616
Accounts Receivable - Credit Public Improvement Fees from Retail Sales	567,106
Accounts Receivable - Shared Sales Tax Increment	924,449
Prepaid Expenses	13,784
Due from Other Districts	16,851
Accounts Receivable - City Reimbursement (Stormwater IGA)	943,737
Capital Assets, Not Being Depreciated	5,331,726
Capital Assets, Net	10,689,174
Total Assets	26,462,501
LIABILITIES	
Accounts Payable	129,234
Retainage Payable	7,448
Project Management Fee Payable	670,591
Project Management Fee Interest Payable	348,958
Accrued Interest Payable - Bonds	28,850,166
Noncurrent Liabilities:	
Due Within One Year	9,530,000
Due in More than One Year	116,514,466
Total Liabilities	156,050,863
NET POSITION	
Net Investment in Capital Assets	(7,276,404)
Restricted for:	
Emergency Reserves	71,100
Unrestricted	(122,383,058)
Total Net Position	$(129,588,362)

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 2,184,082	$ -	$ 2,369,051	$ -	$ 184,969
Interest and Related Costs on Long-Term Debt	9,027,049	-	-	2,248,062	(6,778,987)
Conveyance of Capital Assets to Other Governments	666,358	-	-	-	(666,358)
Total Governmental Activities	$ 11,877,489	$ -	$ 2,369,051	$ 2,248,062	(7,260,376)
GENERAL REVENUES					
Credit Public Improvement Fees from Retail Sales					3,082,484
Add-On Public Improvement Fees from Retail Sales					2,490,651
Net Investment Income					155,882
Other Revenue					736
Total General Revenues					5,729,753
CHANGE IN NET POSITION					(1,530,623)
Net Position - Beginning of Year					(128,057,739)
NET POSITION - END OF YEAR					$(129,588,362)

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General	Debt Service PPI/DPI	Debt Service PRI	Capital Projects	Capital Projects Stormwater	Total Governmental Funds
ASSETS						
Cash and Investments	$ 404,828	$ -	$ -	$ -	$ -	$ 404,828
Cash and Investments - Restricted	71,100	4,641,449	433,356	1,963,325	-	7,109,230
Accounts Receivable - Add-On Public Improvement Fees from Retail Sales	-	461,616	-	-	-	461,616
Accounts Receivable - Credit Public Improvement Fees from Retail Sales	-	453,685	113,421	-	-	567,106
Accounts Receivable - Shared Sales Tax Increment	-	924,449	-	-	-	924,449
Prepaid Expenses	13,784	-	-	-	-	13,784
Due from Other Funds	-	29,638	-	-	-	29,638
Due from Other Districts	9,477	7,374	-	-	-	16,851
Total Assets	$ 499,189	$ 6,518,211	$ 546,777	$ 1,963,325	$ -	$ 9,527,502
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 61,264	$ -	$ -	$ 67,970	$ -	$ 129,234
Due to Other Funds	-	-	29,638	-	-	29,638
Retainage Payable	-	-	-	7,448	-	7,448
Project Management Fee Payable	-	-	-	670,591	-	670,591
Project Management Fee Interest Payable	-	-	-	348,958	-	348,958
Total Liabilities	61,264	-	29,638	1,094,967	-	1,185,869
FUND BALANCES						
Nonspendable:						
Prepaid Expenses	13,784	-	-	-	-	13,784
Restricted for:						
Emergency Reserves	71,100	-	-	-	-	71,100
Debt Service	-	6,518,211	517,139	-	-	7,035,350
Assigned:						
Capital Projects	-	-	-	868,358	-	868,358
Unassigned:						
General Government	353,041	-	-	-	-	353,041
Total Fund Balances	437,925	6,518,211	517,139	868,358	-	8,341,633
Total Liabilities and Fund Balances	$ 499,189	$ 6,518,211	$ 546,777	$ 1,963,325	$ -	$ 9,527,502

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2022

Fund Balances - Total Governmental Funds	$ 8,341,633
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets, Not Being Depreciated	5,331,726
Capital Assets, Net	10,689,174
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
Accounts Receivable - City Reimbursement	943,737
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Developer Advance Payables	(21,688,274)
Accrued Interest Payable - Developer Advances	(20,776,616)
Bonds Payable	(82,460,000)
Accrued Interest Payable - Bonds	(28,850,166)
Bonds Discount	191,563
Funding Fees on Developer Advances	(1,311,139)
Net Position of Governmental Activities	$(129,588,362)

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General	Debt Service PPI/DPI	Debt Service PRI	Capital Projects	Capital Projects Stormwater	Total Governmental Funds
REVENUES						
Credit Public Improvement Fees from Retail Sales	$ -	$ 2,465,987	$ 616,497	$ -	$ -	$ 3,082,484
Add-On Public Improvement Fees from Retail Sales	-	2,490,651	-	-	-	2,490,651
Net Investment Income	-	145,413	10,469	-	-	155,882
Other Revenue	736	-	-	-	-	736
Shared Sales Tax Increment	-	924,449	-	-	-	924,449
Transfer from Other Districts	2,369,051	1,323,613	-	-	-	3,692,664
Total Revenues	2,369,787	7,350,113	626,966	-	-	10,346,866
EXPENDITURES						
General:						
Accounting	94,244	-	-	-	-	94,244
Audit	5,950	-	-	-	-	5,950
District Management	20,615	-	-	-	-	20,615
District Asset Management	36,000	-	-	-	-	36,000
Dues and Memberships	3,478	-	-	-	-	3,478
Eagle Monument Maintenance	56,696	-	-	-	-	56,696
Election Expense	2,975	-	-	-	-	2,975
Electric - Street Lights and Other	7,384	-	-	-	-	7,384
Insurance	38,836	-	-	-	-	38,836
Landscaping	197,060	-	-	-	-	197,060
Legal	71,737	-	-	-	-	71,737
Snow Removal	200,093	-	-	-	-	200,093
Street Repairs and Maintenance	214,990	-	-	-	-	214,990
Street Sweeping	12,096	-	-	-	-	12,096
Miscellaneous/Contingency	15,189	-	-	-	-	15,189

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General	Debt Service PPI/DPI	Debt Service PRI	Capital Projects	Capital Projects Stormwater	Total Governmental Funds
EXPENDITURES (CONTINUED)						
Debt Service:						
Bond Interest - Series 2007	$ -	$ 3,752,763	$ -	$ -	$ -	$ 3,752,763
Bond Interest - Series 2017	-	2,269,750	-	-	-	2,269,750
Bond Principal - Series 2017	-	1,000,000	-	-	-	1,000,000
Bond Interest - Series 2018	-	-	171,431	-	-	171,431
Bond Principal - Series 2018	-	-	450,000	-	-	450,000
Paying Agent Fees	-	6,000	3,500	-	-	9,500
Capital Outlay:						
Primary Public Improvements	-	-	-	743,732	-	743,732
District Public Improvements	-	-	-	74,011	-	74,011
Parks and Recreation Improvements	-	-	-	75	-	75
Total Expenditures	977,343	7,028,513	624,931	817,818	-	9,448,605
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,392,444	321,600	2,035	(817,818)	-	898,261
OTHER FINANCING SOURCES (USES)						
Transfers (to) Other Funds	(1,550,000)	-	-	-	-	(1,550,000)
Transfers from Other Funds	-	-	-	1,550,000	-	1,550,000
Repayment of Developer Advances	-	-	-	(800,000)	-	(800,000)
Total Other Financing Sources (Uses)	(1,550,000)	-	-	750,000	-	(800,000)
NET CHANGE IN FUND BALANCES	(157,556)	321,600	2,035	(67,818)	-	98,261
Fund Balances - Beginning of Year	595,481	6,196,611	515,104	936,176	-	8,243,372
FUND BALANCES - END OF YEAR	$ 437,925	$ 6,518,211	$ 517,139	$ 868,358	$ -	$ 8,341,633

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balances - Total Governmental Funds		$ 98,261
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.		
Capital Outlay		743,732
Depreciation		(747,933)
Conveyance of Capital Assets to Other Governments		(666,358)
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.		
City Reimbursement - Outfall Channel		(384,720)
The issuance of long-term debt (e.g., bonds, Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds record the effect of premiums, discounts, and similar items when debt is first issued as expenditures, whereas these amounts are deferred and amortized in the statement of activities.		
Bond Discount Amortization		(15,839)
Bond Principal - Series 2017		1,000,000
Bond Principal - Series 2018		450,000
Repayment of Developer Advances - Principal		562,354
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Funding Fees on Developer Advances	$ (110,250)	
Accrued Interest on Developer Advances - Change in Liability	(2,995,565)	
Accrued Interest on Bonds - Change in Liability	535,695	(2,570,120)
Change in Net Position of Governmental Activities		$ (1,530,623)

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Other Revenue	$ -	$ 754	$ 736	$ (18)
Transfer from Other Districts	2,440,085	2,440,085	2,369,051	(71,034)
Total Revenues	2,440,085	2,440,839	2,369,787	(71,052)
EXPENDITURES				
Accounting	123,000	113,000	94,244	18,756
Audit	5,950	5,950	5,950	-
District Management	35,000	25,000	20,615	4,385
District Asset Management	36,000	36,000	36,000	-
Dues and Memberships	3,800	3,800	3,478	322
Detention Pond Maintenance	25,000	25,000	-	25,000
Eagle Monument Maintenance	71,000	76,000	56,696	19,304
Election Expense	10,000	10,000	2,975	7,025
Electric - Street Lights and Other	15,000	15,000	7,384	7,616
Insurance	45,000	45,000	38,836	6,164
Landscaping	150,000	210,000	197,060	12,940
Legal	35,000	75,000	71,737	3,263
Snow Removal	150,000	200,000	200,093	(93)
Street Repairs and Maintenance	175,000	220,000	214,990	5,010
Street Sweeping	15,000	15,000	12,096	2,904
Miscellaneous/Contingency	17,250	17,250	15,189	2,061
Water and Sewer	8,000	8,000	-	8,000
Total Expenditures	920,000	1,100,000	977,343	122,657
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,520,085	1,340,839	1,392,444	51,605
OTHER FINANCING SOURCES (USES)				
Transfers (to) Other Funds	(1,550,000)	(1,550,000)	(1,550,000)	-
Total Other Financing Sources (Uses)	(1,550,000)	(1,550,000)	(1,550,000)	-
NET CHANGE IN FUND BALANCE	(29,915)	(209,161)	(157,556)	51,605
Fund Balance - Beginning of Year	584,508	595,481	595,481	-
FUND BALANCE - END OF YEAR	$ 554,593	$ 386,320	$ 437,925	$ 51,605

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Prairie Center Metropolitan District No. 3 (District) is a quasi-municipal corporation located in the City of Brighton, 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 on June 6, 2006, to serve as the Operating District, concurrently with Prairie Center Metropolitan District Nos. 4-10 (the Taxing Districts), pursuant to an order and decree of the Adams County District Court. The Service Plan for the District was approved by the City of Brighton on February 21, 2006, modified on November 13, 2006, and amended and restated on November 4, 2008, and modified on April 14, 2013. Prior to the organization of the District, Prairie Center Metropolitan Districts Nos. 1 and 2 (respectively, District No. 1 and District No. 2) were organized and commenced development and construction of initial phases 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 commercial/retail property in District No. 4 and multi-family property 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 translation 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.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization’s elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization’s governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes, public improvement fees, and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are public improvement fees and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund – PPI/DPI accounts for the resources accumulated and payments made for principal and interest on the Series 2007 and Series 2017 long-term debt of the governmental funds.

The Debt Service Fund – PRI accounts for the resources accumulated and payments made for principal and interest on the Series 2018 long-term debt of the government funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The Capital Projects Fund – Stormwater is used to account for financial resources to be used for the acquisition and construction of stormwater improvements which are reimbursed by the City through certain stormwater impact fees.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2022.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Original Issue Discount/Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Capital Assets

Capital assets, which include property and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Capital assets which are anticipated to be conveyed to other governmental entities, as well as capital assets being constructed which the District may operate and maintain, are recorded as construction in progress/not yet conveyed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements that will be dedicated to other governmental entities are not depreciated. Improvements to be owned by the District are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Streets	20 Years
Detention Pond Improvements	25 Years
Monumentation/Signage	15 to 20 Years

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 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balances is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash and Investments	$	404,828
Cash and Investments - Restricted		7,109,230
Total Cash and Investments	$	7,514,058

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	$	2,439,253
Investments		5,074,805
Total Cash and Investments	$	7,514,058

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District's cash deposits had a bank balance of $2,671,304 and a carrying balance of $2,439,253.

Investments

The District has adopted a formal investment policy wherein the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

. Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
. General obligation and revenue bonds of U.S. local government entities
. Certain certificates of participation
. Certain securities lending agreements
. Bankers' acceptances of certain banks
. Commercial paper
. Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
. Certain money market funds
. Guaranteed investment contracts
* Local government investment pools

As of December 31, 2022, the District had the following investments:

Investment	Maturity	Amount
Colorado Surplus Asset Trust Fund	Weighted-Average	
(CSAFE)	Under 60 Days	$ 5,074,805

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operates similar to a money market fund, with each share valued at $1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

CSAFE (Continued)

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

The following is an analysis of the changes in the District's capital assets for the year ended December 31, 2022:

	Balance - December 31, 2021	Increases	Decreases	Balance - December 31, 2022
Capital Assets, Not Being Depreciated:				
Construction in Progress/ Not Yet Conveyed	$ 5,254,352	$ 743,732	$ 666,358	$ 5,331,726
Total Capital Assets, Not Being Depreciated	5,254,352	743,732	666,358	5,331,726
Capital Assets, Being Depreciated:				
Streets	9,684,835	-	-	9,684,835
Detention Pond Improvements	3,523,907	-	-	3,523,907
Monumentation/Signage	3,032,366	-	-	3,032,366
Total Capital Assets, Being Depreciated	16,241,108	-	-	16,241,108
Less Accumulated Depreciation For:				
Streets	(2,958,164)	(484,242)	-	(3,442,406)
Detention Pond Improvements	(986,692)	(140,956)	-	(1,127,648)
Monumentation/Signage	(859,145)	(122,735)	-	(981,880)
Total Accumulated Depreciation	(4,804,001)	(747,933)	-	(5,551,934)
Total Capital Assets, Being Depreciated, Net	11,437,107	(747,933)	-	10,689,174
Governmental Activities Capital Assets, Net	$ 16,691,459	$ (4,201)	$ 666,358	$ 16,020,900

NOTE 4 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

General Government	$ 747,933

During 2022, a significant portion of the capital assets constructed by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities were removed from the District's financial records.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2022:

	Balance - December 31, 2021	Additions	Retirements	Balance - December 31, 2022	Current Portion
Bonds Payable:					
Bonds Payable - Series 2017	$ 46,585,000	$ -	$ 1,000,000	$ 45,585,000	$ 1,065,000
Bond Discount - Series 2017	(172,715)	-	(12,615)	(160,100)	-
Bonds Payable - Series 2018	3,420,000	-	450,000	2,970,000	250,000
Bond Discount - Series 2018	(34,687)	-	(3,224)	(31,463)	-
Subtotal of Bonds Payable	49,797,598	-	1,434,161	48,363,437	1,315,000
Direct Borrowings and Direct Placements:					
Bonds Payable - Series 2007	33,905,000	-	-	33,905,000	8,215,000
Subtotal of Direct Borrowings and Direct Placements	33,905,000	-	-	33,905,000	8,215,000
Other Debts:					
Developer Advance - Debt Service	2,066,963	-	-	2,066,963	-
Accrued Interest on Developer Advance - Debt Service	2,368,980	360,319	-	2,729,299	-
Developer Advance - Capital	20,183,665	-	562,354	19,621,311	-
Accrued Interest on Developer Advance - Capital	15,412,071	2,872,892	237,646	18,047,317	-
Funding Fee Payable	1,200,889	110,250	-	1,311,139	-
Subtotal of Other Debts	41,232,568	3,343,461	800,000	43,776,029	-
Total Long-Term Obligations	$ 124,935,166	$ 3,343,461	$ 2,234,161	$ 126,044,466	$ 9,530,000

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$47,095,000 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A, and $2,180,000 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B

On October 26, 2017, the District issued its Series 2017A and Series 2017B Bonds (the Series 2017 Refunding Bonds) in the total amount of $49,275,000. The proceeds from the Series 2017 Refunding Bonds were used to refund all of the Series 2006 Bonds and a portion of the Series 2007 Subordinate Bonds. The Series 2017 Refunding Bonds are special limited 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), 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, and a portion of City sales tax revenues (such sales tax revenue sharing in accordance with the Cooperation Agreement and General Fund Sales Tax Sharing Agreement, each of which are described in Note 8).

The Series 2017 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds in the required amounts of $3,409,143 for Series 2017A Bonds and $163,500 for the Series 2017B Bonds.

The Series 2017A Bonds are term bonds maturing as follows: $9,370,000 due December 15, 2027, at an interest rate of 4.125% and $37,725,000 due December 15, 2041, at an interest rate of 5.00%. The Series 2017B Bonds of $2,180,000 are term bonds due December 15, 2041, at an interest rate of 5.00%. Bonds are subject to optional redemption in whole or in part at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest with no redemption premium, with respect to the Series 2017 Bonds commencing on December 15, 2026. Bonds are subject to mandatory sinking redemption equal to the scheduled amounts plus accrued interest with respect to Series 2017A Bonds maturing in 2027 beginning on December 15, 2018, Series 2017A Bonds maturing in 2041 beginning on December 15, 2028, and Series 2017B Bonds beginning on December 15, 2018. The Series 2017 Bonds are subject to special mandatory redemption on a pro rata basis on any interest payment date on when funds on deposit are sufficient to pay 100% of the amount to be redeemed plus accrued interest. The Series 2017 Refunding Bonds are not subject to early termination.

Event of Default occurs if the District fail to collect the Pledged Revenue, or to apply the Pledged Revenues as required by the Indenture, and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture. There is no acceleration of the payment of the Series 2017 Refunding Bonds upon occurrence of an Event of Default under the Indenture.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$47,095,000 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A, and $2,180,000 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B (Continued)

The Series 2017A Bonds principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 1,015,000	$ 2,127,356	$ 3,142,356
2024	1,090,000	2,085,488	3,175,488
2025	1,165,000	2,040,525	3,205,525
2026	1,250,000	1,992,469	3,242,469
2027	1,325,000	1,940,906	3,265,906
2028-2032	8,150,000	8,671,750	16,821,750
2033-2037	11,735,000	6,325,750	18,060,750
2038-2041	17,840,000	2,509,250	20,349,250
Total	$ 43,570,000	$ 27,693,494	$ 71,263,494

The Series 2017B Bonds principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 50,000	$ 100,750	$ 150,750
2024	55,000	98,250	153,250
2025	55,000	95,500	150,500
2026	60,000	92,750	152,750
2027	65,000	89,750	154,750
2028-2032	400,000	395,000	795,000
2033-2037	585,000	279,250	864,250
2038-2041	745,000	96,750	841,750
Total	$ 2,015,000	$ 1,248,000	$ 3,263,000

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$4,510,000 Special Revenue Bonds (Park and Recreation Improvements) Series 2018

On March 8, 2018, the District issued its $4,510,000 Special Revenue Bonds (Park and Recreation Improvements), Series 2018 (2018 PRI Bonds). The proceeds of the 2018 PRI Bonds were used to reimburse the Developer for a portion of advances made to the District under the Facilities Funding and Acquisition Agreement for construction of Park and Recreation Improvements. The 2018 PRI Bonds are special limited revenue obligations of the District secured by and payable from pledged revenues, consisting of revenues attributable to privately imposed public improvements fees payable with respect to certain retail sales transactions and construction activities occurring within the development. The 2018 PRI Bonds are also secured by funds to be held by the Trustee in the Reserve Fund in the required amount of $346,706.

The 2018 PRI Bonds are term bonds due December 15, 2042, at an interest rate of 5.125%. The 2018 PRI Bonds are subject to mandatory redemption on any interest payment date on which there are sufficient funds to redeem at least one bond in the denomination of $5,000. The 2018 PRI Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part, on any date on or after December 15, 2023, at a redemption price equal to 100% of the principal amount thereof plus interest and a redemption premium until December 15, 2026, after which there is no redemption premium. The 2018 PRI Bonds are also subject to special redemption in whole on any interest payment date when fund on deposit are sufficient to pay 100% of the principal amount then outstanding with interest.

The principal and interest payments for the 2018 PRI Bonds are based on the amount of funds available on 45 calendar days preceding each interest payment date.

Event of Default occurs if the District fail to collect the Pledged Revenue, or to apply the Pledged Revenues as required by the Indenture, and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture. There is no acceleration of the payment of the 2018 PRI Bonds upon occurrence of an Event of Default under the Indenture.

The Series 2018 Bonds principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 250,000	$ 152,213	$ 402,213
2024	265,000	139,400	404,400
2025	280,000	125,819	405,819
2026	305,000	111,469	416,469
2027	320,000	95,838	415,838
2028-2032	1,550,000	209,100	1,759,100
Total	$ 2,970,000	$ 833,838	$ 3,803,838

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$40,610,000 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A, and $2,905,000 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B

On June 7, 2007, the District issued its Series 2007A and 2007B Bonds (collectively, Series 2007 Subordinate Bonds) in the total amount of $43,515,000. The proceeds from the Series 2007 Subordinate Bonds were used for the purposes of funding public infrastructure costs, funding reserve and capitalized interest accounts, and paying bond issuance costs. The Series 2007 Subordinate 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, which consist of the 2017 Refunding Bonds as well as any additional senior bonds that may be issued in the future. Pledged revenues consist primarily 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 Fee imposed by District No. 4, District No. 5, and District No. 10, and from the imposition of ad valorem property taxes by District No. 4 and District No. 5 not in excess of 50 mills so long as the statutory mill levy limitation set forth in Section 32.1.1101(6)(b) of the Colorado Revised Statutes is applicable and, if not, subject to adjustment caused by changes in the method of determining assessed valuation by the state of Colorado, and the related specific ownership taxes.

The Series 2007A Bonds are term bonds maturing as follows: $40,610,000 due December 15, 2031, at an interest rate of 8.75% through December 14, 2007, and 9.50% thereafter. The Series 2007B Bonds 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. Bonds are subject to optional redemption in whole or in part at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest with no redemption premium, with respect to the Series 2007 Subordinate Bonds on any date. The Series 2007A and 2007B Subordinate Bonds are subject to mandatory sinking fund redemption equal to the scheduled amounts plus accrued interest beginning December 15, 2017.

During 2022, the District did not pay the principal and the full amount of accrued interest due on the Series 2007 Subordinate Bonds. Pursuant to the indenture for the bonds, due to the limited nature of the revenues pledged, the failure to pay interest and principal when due does not, in itself, create an event of default if the District is otherwise in compliance with the bond documents. The unpaid amount is not subject to compounding interest. A portion of the Series 2007 Subordinate Bonds were refunded by the issuance of the District’s Series 2017 Refunding Bonds.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$40,610,000 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A, and $2,905,000 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B (Continued)

The Subordinate Bonds Series 2007A principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 7,675,000	$ 28,914,050	$ 36,589,050
2024	2,000,000	2,277,625	4,277,625
2025	2,335,000	2,087,625	4,422,625
2026	2,655,000	1,865,800	4,520,800
2027	2,905,000	1,613,575	4,518,575
2028-2031	14,080,000	3,470,825	17,550,825
Total	$ 31,650,000	$ 40,229,500	$ 71,879,500

The Subordinate Bonds Series 2007B principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 540,000	$ 2,917,098	$ 3,457,098
2024	145,000	162,925	307,925
2025	165,000	149,150	314,150
2026	190,000	133,475	323,475
2027	205,000	115,425	320,425
2028-2031	1,010,000	249,375	1,259,375
Total	$ 2,255,000	$ 3,727,448	$ 5,982,448

Authorized Debt

On May 2, 2006, the District's voters authorized total indebtedness of $6,790,000,000 for construction of public improvements and operating and maintenance expenditures and $750,000,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities.

At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on May 2, 2006	Authorization Used					Authorized But Unissued
		Series 2006 Bonds	Series 2007 Bonds	Note 2010	Series 2017 Refunding	Series 2018 Bonds	
Streets	$ 750,000,000	$ 18,180,000	$ 40,403,506	$ 450,000	$ -	$ -	$ 690,966,494
Water	750,000,000	13,089,600	559,022	-	-	-	736,351,378
Sewer	750,000,000	5,090,400	1,269,163	-	-	-	743,640,437
Parks and Recreation	750,000,000	-	750,071	-	-	4,510,000	744,739,929
Transportation	750,000,000	-	-	-	-	-	750,000,000
Traffic and Safety Controls	750,000,000	-	533,238	-	-	-	749,466,762
Mosquito Control	20,000,000	-	-	-	-	-	20,000,000
Tele Relay and Translation	20,000,000	-	-	-	-	-	20,000,000
Operations and Maintenance	750,000,000	-	-	50,000	-	-	749,950,000
Intergovernmental Agreements	750,000,000	-	-	-	-	-	750,000,000
Debt Refunding	750,000,000	-	-	-	49,275,000	-	700,725,000
Total	$ 6,790,000,000	$ 36,360,000	$ 43,515,000	$ 500,000	$ 49,275,000	$ 4,510,000	$ 6,655,840,000

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt (Continued)

Pursuant to the Service Plans of District Nos. 2-10, the maximum aggregate principal of debt that may be incurred by all of such Districts, together with District No. 1, collectively is $750,000,000. In 2010, the District issued a Subordinate Nonrevolving Line of Credit Note, Series 2010 in the principal sum of $670,125,000, of which $500,000 has been applied to the District's authorized indebtedness and the principal outstanding under the 2010 Note, totaling $500,000, and accrued interest, were added to the amount payable to the Developer under the Facilities Funding and Acquisition Agreement.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

Developer Advances

The District has entered into the Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreement (Agreement) with the Developer wherein the District agrees to reimburse the Developer for advances made on behalf of the District.

As of December 31, 2022, outstanding advances under the Agreement totaled $2,066,963 for debt service costs, and $19,621,311 for capital costs. Accrued interest on Developer advances as of December 31, 2022, totaled $2,729,299 for debt service costs, and $18,047,317 for capital costs.

Funding Fee

Under the Agreement, at the Developer's discretion, the District shall pay an additional funding fee on outstanding Developer advances, subject to annual appropriation. As of December 31, 2022, the outstanding Funding Fee is $1,311,139.

NOTE 6 NET POSITION

The District has net position consisting of three components – net investments in capital interests, restricted, and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

NOTE 6 NET POSITION (CONTINUED)

As of December 31, 2022, the District had the following net investment in capital assets, calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	$ 10,689,174
Less Capital Related Debt:	
Current Portion of Long-Term Obligations	(1,744,184)
Noncurrent Portion of Long-Term Obligations	(16,221,395)
Net Investment in Capital Assets	$ (7,276,404)

The restricted component of net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position at December 31, 2022, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	$ 71,100
Total Restricted Net Position	$ 71,100

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements, a portion of which have been conveyed and/or will be conveyed to other governmental entities.

NOTE 7 INTERFUND TRANSFERS

The transfer from the General Fund to Capital Projects Fund was made to support budgeted capital expenditures and repayment of Developer advances.

NOTE 8 AGREEMENTS

Facilities Funding, Construction, and Operations Agreement (FFCO)

On November 8, 2006, the District entered into the Facilities Funding, Construction and Operations Agreement (as amended on May 11, 2017, the FFCO) with District Nos. 2 and 4-10 establishing certain expectations as to the financing, construction, operation and maintenance of improvements as contemplated in the Service Plans for the purpose of providing, in a timely and coordinated fashion, essential services within the Districts. By Notice dated December 19, 2017, District No. 7 terminated its participation as a party to the FFCO and was released from any obligations thereunder by the other Districts. Effective September 4, 2019, District No. 9 gave notice of its termination as a party to the FFCO, and District No. 9 was subsequently dissolved on September 26, 2019.

NOTE 8 AGREEMENTS (CONTINUED)

Facilities Funding, Construction, and Operations Agreement (FFCO) (Continued)

Pursuant to the FFCO, the District is designated as the Operating District and agrees to provide the following: 1) project administration services (generally comprised of contracting for and supervising the acquisition, construction, operation and maintenance of public improvements), and 2) district administration services (including, but not limited to, serving as the depository for district records, coordinating board meetings, filing and notices, preparing financial reports and budgets and coordinating legal, accounting, management, engineering and other professional services) for the other Districts which remain parties to the FFCO (Taxing Districts). The FFCO anticipates that the District will enter into intergovernmental agreements with the respective Taxing Districts whereby the Taxing Districts will agree to share in the Districts' administration costs Operations IGAs and/or pledge certain revenues to pay capital projects costs incurred and/or to repay bonds issued by the District (Capital Pledge Agreements).

Comprehensive Agreement

The Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement and Intergovernmental Agreement for Prairie Center (Comprehensive Agreement) was made and entered into, in December 2005, by and between the City of Brighton (City), the City of Brighton Water, Sewer and Drainage Enterprise, THF Prairie Center Development L.L.C., THF Prairie Center Retail One L.L.C., Prairie Center Metropolitan District No. 1 (District No. 1), and Prairie Center Metropolitan District No. 2 (District No. 2) (collectively the Districts). The Comprehensive Agreement establishes the framework for the construction and financing of public infrastructures required by the Prairie Center Development, and sets forth the terms and provisions pertaining to the imposition, collection and application of the privately imposed Credit Public Improvement Fee (Credit PIF) and privately imposed Add-On Public Improvement Fee (Add-On PIF), and the implementation of the City Sales/Use Tax Credit. The Agreement categorizes the public infrastructure required by the Development and legally permitted to be funded by the Districts into: 1) Primary Public Improvements (PPI), such as major and minor arterial streets and related landscaping and trails, collector streets and related landscaping and trails, traffic signals, certain potable and nonpotable water distribution lines, regional/community/ neighborhood parks, trails and open spaces; 2) Parks and Recreation Public Improvements (PRI); and 3) District Public Improvements (DPI) which is comprised of all other improvements that may be provided by the Districts. The Comprehensive Agreement provides that the Districts' receipt of the 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) may only be used for PPI improvements. Further, the Comprehensive Agreement allows the Districts to receive a 1% Add-On PIF to finance any other public improvements or services (DPI) that the Districts are authorized by statute and its Service Plans to provide.

NOTE 8 AGREEMENTS (CONTINUED)

Comprehensive Agreement (Continued)

On November 8, 2006, an Assignment of Agreement was made between and among District No. 1, District No. 2, and the District. As of the date of the assignment, District No. 1 and District No. 2 assigned to the District, and the District assumed, all their rights, benefits, obligations and duties under the Agreement, with the exception of District No. 1's rights and obligations related to the operation of the London Mine Water Tunnel and Extension Tunnel Facility and activities related to such operation. Such rights and obligations were assigned to 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.

In July 2009, the First Amendment to the Comprehensive Agreement was executed to include certain properties to the Incorporated Property for all purposes under the Comprehensive Agreement and to increase maximum amount of PPI costs that the Districts can finance with Credit PIF Revenues (Cap Amount) from $125,000,000 to $146,476,240.

In February 2012, the Second Amendment to the Comprehensive Agreement was executed to modify certain terms of the Agreement. The Second Amendment, among other matters, redefined Shared Revenues to include Credit PIF Revenues, Shared City Fees, Shared Sales Tax Incremental Revenues (see Cooperation Agreement below), Shared General Fund Sales Taxes (see General Fund Sales Tax Sharing Agreement below), and other City or Brighton Urban Renewal Authority (BURA) revenues that the parties agree are to be shared by the City or BURA with the District to pay or reimburse Eligible Costs. The terms as to when and how the new Revenues (such as General Fund Sales Taxes) will be shared were also explained in the Second Amendment. Further, the Second Amendment restated and clarified the definitions of Eligible Costs, which is comprised of Hard Costs, Soft Costs, Interest Costs, and Financing Costs, that can be paid from Shared Revenues. With regard to the Interest Costs incurred by the District in connection with a Developer Advance and payable from Shared Revenues, the Second Amendment allows a simple rate of 5% per annum accruing from the date of such Developer Advance.

The Third Amendment to the Comprehensive Agreement was entered into as of June 16, 2015. The Third Amendment reduced the principal amount of the 1.25% Credit PIF to be applied to PRI Improvements from $14 million to $9 million and requires that $2.5 million of such revenues be paid to the City for design and/or construction of the second phase of an adult recreation center and relieved the District of its obligations under the original Cooperation Agreement related to the initial phase of the adult recreation center. The Third Amendment also provides for the City to rebate portions of certain City bridge/crossing and traffic impact fees paid with respect to development of the phase of residential single-family dwelling units known as Prairie Center Residential Village One in the total amount of $2.5 million, which rebated fees shall be applied to specified street improvements and shall count against the Cap Amount. The rebated use tax and rebated building permit fees (or any other rebated fees approved by Council) do not need to be applied to eligible costs related to primary public improvements and do not count against the Cap Amount.

NOTE 8 AGREEMENTS (CONTINUED)

Cooperation Agreement

On July 18, 2012, the District entered into the Cooperation Agreement with the City and BURA. Pursuant to the Cooperation Agreement, to the extent that the District designs, finances and constructs Primary Public Improvements to serve the Southeast Brighton Regional Urban Renewal Plan Area, BURA will reimburse the District for Eligible Costs, according to the terms and provisions of the Comprehensive Agreement and this Cooperation Agreement, by a pledge of certain General Fund Sales Tax Incremental Revenues, subject to the Cap Amount initially commencing when taxable retail sales within the Plan Area are at least $150 million or at least one Qualifying Retailer opens for business. The City shall be obligated to transfer to BURA only the Allocated Increment Amount, which initially shall be equal to 30% (and increase to 49% as additional development triggers are met) of the City's General Fund Sales Tax of two percent (2.0%) after deduction of (i) the General Fund Sales Tax Base Amount ($2,273,417) and (ii) the proportionate share of costs and expenses related to the collection of the General Fund Sales Tax in the Plan Area. BURA's obligation to remit the Allocated Increment Amount to the District terminates upon the earlier of (i) the District's repayment of bonds and Developer Advances for Primary Public Improvement Costs, (ii) receipt of Credit PIF, General Fund Sales Tax Incremental Revenues and other Shared Revenues (defined in the Comprehensive Agreement) up to the Cap Amount, or (iii) April 3, 2037.

On September 14, 2017, the District entered into a Memorandum of Understanding (MOU) with the City of Brighton and BURA setting forth the terms for administration of the collection and sharing of sales tax incremental revenues to further the intent of the Southeast Brighton Regional Urban Renewal Plan, the Second Amendment to the Comprehensive Agreement, and the Cooperation Agreement. The MOU describes the method for determination of such revenues and when transfers of such revenues are to be made.

General Fund Sales Tax Sharing Agreement

The District entered into the General Fund Sales Tax Sharing Agreement (Sharing Agreement) with the City on July 18, 2012. Pursuant to the Sharing Agreement, the term of this Agreement commences upon the termination or expiration of the Cooperation Agreement to the extent that the District has not repaid in full bonds and Developer Advances for Primary Public Improvement Costs and the Cap Amount has not been fully utilized. Under the Sharing Agreement, the City agrees on an annual appropriation basis to remit to the District Shared General Fund Sales Taxes after retail sales of taxable goods and services equal (i) at least $150 million in any calendar year, one-half of one percent (0.50%) as a portion of the City's 2.0% General Fund Sales Tax collected from the project, and (ii) at least $300 million in any calendar year, three-quarters of one percent (0.75%) as a portion of the City's 2.0% General Fund Sales Tax collected from the project.

The City's obligation to remit Shared General Fund Sales Taxes is subject to annual appropriation and terminates upon the earlier of (i) the District's repayment of bonds and Developer advances for Primary Public Improvements, or (ii) receipt of Shared General Sales Taxes and other Shared Revenues up to Cap Amount.

NOTE 8 AGREEMENTS (CONTINUED)

Intergovernmental Agreement Regarding Design, Financing, and Construction of Regional Drainage Improvements

In May 2011, the District entered into the Intergovernmental Agreement Regarding Design, Financing, and Construction of Regional Drainage Improvements (Stormwater IGA) with the City. Pursuant to the Stormwater IGA, the District will design, finance, and construct drainage improvements subject to reimbursement from the City to the District from certain stormwater impact fees for certain of the District's costs to design, finance, and construct such drainage improvements. With respect to the Over-Detention Ponds, the eligible costs which the City may reimburse the District totaled $1.2 million. With respect to the Outfall Channel/Fulton Ditch Improvements, the eligible costs which the City may reimburse the District will not exceed $3,000,000. The Stormwater IGA also provides the procedures for certifying costs, requesting reimbursement and calculation of applicable interest.

In January 2012, the First Amendment to the Intergovernmental Agreement Regarding Design, Financing, and Construction of Regional Drainage Improvements was executed to, among other matters, amend the District's commencement of construction of the Fulton Ditch Improvements, and increase the maximum costs of the Outfall Channel/Fulton Ditch Improvements to an amount not to exceed $3,600,000.

Capital Pledge Agreement with District Nos. 4 and 5 and 10

On October 1, 2017, the District entered into an Amended and Restated Capital Pledge Agreement with UMB Bank, District No. 4 and District No. 5 (each a Taxing District; and collectively the Taxing Districts) (Pledge Agreement), which superseded in its entirety a prior Capital Pledge Agreement among the parties dated December 1, 2006 as amended in 2009 and 2010. Pursuant to the Pledge Agreement, the District shall issue Bonds as necessary to finance and construct Improvements for the benefit of the Taxing Districts. The Pledge Agreement obligates the Taxing Districts to impose annually in each years through 2040 a mill levy at a rate of 25.000 mills for District No. 4 and 40.000 mills for District No. 5, subject to certain adjustments, and remit to the District's Trustee tax revenues derived from such mill levies, together with facilities fees and a portion of specific ownership taxes collected by the Taxing Districts, to repay the Bonds. The Taxing Districts' obligation to pay such revenues to the District constitute an irrevocable lien on such revenues, and each Taxing District has agreed not to issue or incur Bonds, notes or other obligations payable in whole or in part from, or constituting a lien upon, the revenues pledged to the District without the District's prior consent. The rate of maximum mill levy permitted to be levied by each Taxing District is 50.000 mills, subject to certain adjustments.

On October 1, 2017, the District entered into an Amended and Restated Capital Pledge Agreement with District No. 10 (Second Pledge Agreement), which superseded in its entirety a prior Capital Pledge Agreement between the parties dated March 1, 2009. Pursuant to the Second Pledge Agreement, the District agrees to finance a portion of the costs of public improvements within District No. 10 through the issuance of bonds; and District No. 10 agrees to pledge to the District, for purposes of paying debt service on the bonds, if needed, and otherwise for funding certain improvements, revenues resulting from the imposition of facilities fees. Prior to March 1, 2009, facilities fees collected by District No. 10 were not pledged to the District for debt service.

NOTE 8 AGREEMENTS (CONTINUED)

Operations Financing Intergovernmental Agreements

On May 11, 2017, the District entered into Amended and Restated Operations Financing IGAs (IGAs), separately, with each of District No. 4 and District No. 5. The IGAs, which superseded in their entirety prior Operations Financing IGAs dated December 19, 2006, require that District No. 4 and District No. 5 impose, collect, and remit to the District an operations mill levy in order to pay for certain administrative and management costs incurred by the District. The operational mill levy imposed individually by District No. 4 and District No. 5, cannot exceed the maximum mill levy for operations and maintenance authorized by the Districts' Service Plans less the number of mills the applicable Taxing District has pledged to levy for payment of debt service under any Capital Pledge Agreement.

On December 4, 2008, the District and District No. 10 entered into an Operations Financing IGA, which requires District No. 10 to impose, collect, and remit an operations mill levy to the District for administrative and management costs. Total mills to be levied by District No. 10 may not exceed 60.000 mills for operations and maintenance and debt service.

On December 7, 2022, the District entered into an Operations Financing IGA with Prairie Center Metropolitan District No. 1 (District No. 1), which requires District No. 1 to impose, collect and remit an operations mill levy to the District for administrative and maintenance costs. The operations mill levy imposed by District No. 1 cannot exceed the maximum mill levy for operations and maintenance authorized by its Service Plan less the number of mills, if any, it has pledged for payment of debt service.

Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreement

On December 26, 2006, the District entered into the Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreements (Funding Agreement) with THF Prairie Center Development L.L.C. and THF Prairie Center Retail One L.L.C. (collectively the Developer). Pursuant to the Funding Agreement, the Developer agrees to advance funds to the District to pay for capital and operational expenses when the District's revenues are not sufficient to pay for such expenses. The District will pay the Developer interest compounding semi-annually, from the date of each Developer advance, at the rate of three percent (3%) per annum above the rate announced by Bank of America, N.A., St. Louis, Missouri. In addition, at the Developer's discretion, the District shall pay an additional funding fee of one percent (1%) on amounts outstanding twenty-four (24) months from the funding date, said fee being charged once every twenty-four (24) months while the amounts remain outstanding. The District's payment of Developer advances under this Agreement is subject to annual appropriation.

Upon execution of the Funding Agreement, the District assumed the obligation to acquire certain public infrastructure constructed and financed by the Developer. Additionally, the District assumed the repayment obligations of District No. 1 and District No. 2 under a prior funding agreement with the Developer.

NOTE 8 AGREEMENTS (CONTINUED)

Construction Management Agreement

On June 28, 2018, the District entered into the Construction Management Agreement, with an effective date of July 1, 2018, with R.G. Brinkman Company for Prairie Center Village I Subdivision, Filing No. 1, to supervise the construction of public improvements. This agreement supersedes the previous Construction Management Agreement dated January 18, 2007, as amended September 8, 2015. Under this agreement, the Construction Manager's duties include, but are not limited to, conducting the competitive bid process for public improvements; provide oversight and construction management services and monitoring the progress of the project and budget. In consideration of the Construction Manager's services, the District shall pay, on a monthly basis, a fee of five percent (5%) of the aggregate payments the District makes to approved contractors. Commencing July 2018, the District shall additionally pay the Construction Manager $11,929 per month for certain administrative, equipment, and materials expenses incurred in course of performing the work.

Facilities Management Agreement

The District entered into the Facilities Management Agreement, effective as of July 1, 2006, with Prairie Management, L.L.C. (Facilities Manager), an entity affiliated with the Developer, pursuant to which the Facilities Manager shall manage the operation, maintenance and repair of public improvements owned by the District or for which the District has operation and maintenance responsibilities. The compensation paid to the Facilities Manager is $3,000 per month.

Project Management Agreement

On August 2, 2006, the District entered into the Project Management Agreement (Project Agreement) with Prairie Management L.L.C. (Project Manager), an entity affiliated with the Developer. Pursuant to the Project Agreement, the Project Manager shall provide all management services relating to the planning, design, construction, and installation of and obtaining municipal approval of the public improvements. The Project Manager's duties also include supervision, on behalf of the District, of the Construction Manager. As compensation for services provided by the Project Manager, the District shall pay, on a monthly basis, a fee of four percent (4%) of the actual cost of public improvements. Any unpaid fees will accrue interest at the rate of two percent (2%) per annum above the prime rate announced by Bank of America, N.A., St. Louis, Missouri. The Agreement is for one year and shall renew annually thereafter for a period of twenty (20) years. As of December 31, 2022, the outstanding balances of the project management fees and related interest are $670,591 and $348,958, respectively.

NOTE 8 AGREEMENTS (CONTINUED)

Intergovernmental Agreement Regarding Facilities Fee Collection

On November 13, 2007, the District entered into the Intergovernmental Agreement Regarding Facilities Fee Collection with District Nos. 2 and 4-10; agreeing to have the District administer and collect facilities fees imposed by District Nos. 2 and 4-10; provided, however, that the revenue derived from facilities fees of a specific District shall remain the property and subject to the control of such District's Board of Directors. To the extent required by any Capital Pledge Agreement, the District will deposit facilities fees collected on behalf of said Districts with the applicable bond trustee. The agreement was amended on September 4, 2019 to remove District No. 9 as a party, due to that District's dissolution. Pursuant to the Intergovernmental Agreement Regarding Assignment of Revenues between the District and District No. 7 (described below), the District will remit to District No. 7 certain assigned revenues, including facilities fees, collected by Prairie Center Village I Subdivision No. 1 (Village I).

Prairie Center Major Retail 4 Subdivision Development Agreement

On May 15, 2018, the District entered into the Prairie Center Major Retail 4 Subdivision Development Agreement, with an effective date of May 15, 2018, with the City and THF Prairie Center Development, L.L.C., a Colorado limited liability company (the Developer). Under this Agreement, the Developer shall pay all fees related to: development of the Property; engineering services; maintenance of all improvements for one-year from the date of acceptance by the City; inspection or testing; securing any necessary land, right-of ways, or easements; the coordination and installation of all utilities; and those fees related to street improvements. The Developer is compensated based upon the verified costs submitted and approved by the City.

Infrastructure Reimbursement Agreement

On November 6, 2018, the District entered into the Infrastructure Reimbursement Agreement, effective November 6, 2018, with the Developer, Bromley & Buckley, L.L.C. and Case 238, L.L.C. (collectively, the Developers), and the City. Under this Agreement, the Parties agreed that in the event the District advanced more than its pro rata share for financing the design and construction of public improvements that benefitted other property or were over-sized to serve the projected growth of the City, the District would be eligible for reimbursement. The City will collect this reimbursement amount from those benefitted landowners on a pro rata basis, to be paid to the District or Developers as needed. The Developers, THF Prairie Center Development, LLC, and the District agree that Developer's pro rata share of cost of the public improvements is $231,628 as of November 6, 2018.

Intergovernmental Agreement Regarding Assignment of Revenues (IGA)

On May 23, 2019, the District and District No. 7 entered into an Intergovernmental Agreement Regarding Assignment of Revenues (the IGA). On July 22, 2020, the District amended and restated the IGA, with an effective date of December 19, 2017. Per the IGA, the District agrees to transfer to District No. 7 its rights to receive revenues as set forth in the IGA that are directly attributable to Village I. The District is relieved from providing any public improvements or management services related to Village I as it is being developed by District No. 7, separately from the remaining development.

NOTE 9 RELATED PARTY

The developer of the property which constitutes the District is collectively THF Prairie Center Development, L.L.C., a Colorado limited liability company, and THF Prairie Center Retail One, L.L.C., a Missouri limited liability company. All members of the Board of Directors are officers or employees of an entity affiliated with the Developer or the majority owner of the Developer and may have conflicts of interest in dealing with the District (see Note 8).

In September 2010, THF Prairie Center Development, L.L.C. purchased and became the owner of the District's Series 2007 Subordinate Bonds. Such bonds were partially refunded by the issuance of the District's Series 2017A and Series 2017B Bonds.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the state of Colorado and all local governments, except Enterprises.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or benefit increases.

On May 2, 2006, a majority of the District's electors authorized the District to increase property taxes $10,000,000 annually, without limitation to rate, to pay the District's operations and maintenance costs. Additionally, the District's voters authorized the District to collect, retain and spend all revenue in excess of TABOR spending, revenue raising or other limitations.

The District's management has taken steps it believes are necessary to comply with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND – PPI/DPI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Credit Public Improvement Fees from Retail Sales	$ 2,362,000	$ 2,362,000	$ 2,465,987	$ 103,987
Add-On Public Improvement Fees from Retail Sales	2,415,000	2,415,000	2,490,651	75,651
Credit Public Improvement Fees from Building Permits	63,000	63,000	-	(63,000)
Add-On Public Improvement Fees from Building Permits	63,000	63,000	-	(63,000)
Facilities Fees	57,000	57,000	-	(57,000)
Net Investment Income	5,500	5,500	145,413	139,913
Transfer from Other Districts	1,318,897	1,318,897	1,323,613	4,716
Shared Sales Tax Increment	525,000	525,000	924,449	399,449
Total Revenues	6,809,397	6,809,397	7,350,113	540,716
EXPENDITURES				
Bond Principal - Series 2017	1,000,000	1,000,000	1,000,000	-
Bond Interest - Series 2007	3,550,000	3,850,000	3,752,763	97,237
Bond Interest - Series 2017	2,269,750	2,269,750	2,269,750	-
Contingency	14,250	14,250	-	14,250
Paying Agent Fees	6,000	6,000	6,000	-
Total Expenditures	6,840,000	7,140,000	7,028,513	111,487
NET CHANGE IN FUND BALANCE	(30,603)	(330,603)	321,600	652,203
Fund Balance - Beginning of Year	5,794,935	6,196,611	6,196,611	-
FUND BALANCE - END OF YEAR	$ 5,764,332	$ 5,866,008	$ 6,518,211	$ 652,203

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND – PRI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Credit Public Improvement Fees from Retail Sales	$ 590,500	$ 590,500	$ 616,497	$ 25,997
Credit Public Improvement Fees from Building Permits	15,750	15,750	-	(15,750)
Net Investment Income	500	500	10,469	9,969
Total Revenues	606,750	606,750	626,966	20,216
EXPENDITURES				
Bond Principal - Series 2018	410,000	450,000	450,000	-
Bond Interest - Series 2018	175,275	175,275	171,431	3,844
Contingency	17,225	21,225	-	21,225
Paying Agent Fees	3,500	3,500	3,500	-
Total Expenditures	606,000	650,000	624,931	25,069
NET CHANGE IN FUND BALANCE	750	(43,250)	2,035	45,285
Fund Balance - Beginning of Year	497,241	515,104	515,104	-
FUND BALANCE - END OF YEAR	$ 497,991	$ 471,854	$ 517,139	$ 45,285

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Total Revenues	$ -	$ -	$ -
EXPENDITURES			
Primary Public Improvements	1,100,000	743,732	356,268
DPI Overhead	79,000	74,011	4,989
PRI Overhead	60	75	(15)
Total Expenditures	1,179,060	817,818	361,242
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,179,060)	(817,818)	361,242
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	1,600,000	1,550,000	(50,000)
Repayment of Developer Advances	(800,000)	(800,000)	-
Total Other Financing Sources (Uses)	800,000	750,000	(50,000)
NET CHANGE IN FUND BALANCE	(379,060)	(67,818)	311,242
Fund Balance - Beginning of Year	987,877	936,176	(51,701)
FUND BALANCE - END OF YEAR	$ 608,817	$ 868,358	$ 259,541

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND – STORMWATER
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
City Reimbursement (Stormwater IGA)	$ 50,000	$ -	$ (50,000)
Total Revenues	50,000	-	(50,000)
EXPENDITURES			
Total Expenditures	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	50,000	-	(50,000)
OTHER FINANCING SOURCES (USES)			
Transfers (to) Other Funds	(50,000)	-	50,000
Total Other Financing Sources (Uses)	(50,000)	-	50,000
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2022

Bonds and Interest Maturing in the Year Ending December 31,	$40,610,000 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A Dated June 7, 2007 Interest Rate at 8.75% - 9.50% Interest Payable June 15 and December 15 Principal Due December 15			$2,905,000 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B Dated June 7, 2007 Interest Rate at 8.75% - 9.50% Interest Payable June 15 and December 15 Principal Due December 15		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 7,675,000	$ 28,914,050	$ 36,589,050	$ 540,000	$ 2,917,098	$ 3,457,098
2024	2,000,000	2,277,625	4,277,625	145,000	162,925	307,925
2025	2,335,000	2,087,625	4,422,625	165,000	149,150	314,150
2026	2,655,000	1,865,800	4,520,800	190,000	133,475	323,475
2027	2,905,000	1,613,575	4,518,575	205,000	115,425	320,425
2028	3,130,000	1,337,600	4,467,600	225,000	95,950	320,950
2029	3,375,000	1,040,250	4,415,250	240,000	74,575	314,575
2030	3,645,000	719,625	4,364,625	260,000	51,775	311,775
2031	3,930,000	373,350	4,303,350	285,000	27,075	312,075
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
2041	-	-	-	-	-	-
Total	$ 31,650,000	$ 40,229,500	$ 71,879,500	$ 2,255,000	$ 3,727,448	$ 5,982,448

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2022

Bonds and Interest Maturing in the Year Ending December 31,	$47,095,000 Limited Property Tax Supported Revenue Bonds, Series 2017A Dated October 26, 2017 Interest Rate at 4.125% - 5.000% Interest Payable June 15 and December 15 Principal Due December 15			$2,180,000 Limited Property Tax Supported Revenue Bonds, Series 2017B Dated October 26, 2017 Interest Rate at 5.000% Interest Payable June 15 and December 15 Principal Due December 15		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 1,015,000	$ 2,127,356	$ 3,142,356	$ 50,000	$ 100,750	$ 150,750
2024	1,090,000	2,085,488	3,175,488	55,000	98,250	153,250
2025	1,165,000	2,040,525	3,205,525	55,000	95,500	150,500
2026	1,250,000	1,992,469	3,242,469	60,000	92,750	152,750
2027	1,325,000	1,940,906	3,265,906	65,000	89,750	154,750
2028	1,415,000	1,886,250	3,301,250	70,000	86,500	156,500
2029	1,515,000	1,815,500	3,330,500	75,000	83,000	158,000
2030	1,625,000	1,739,750	3,364,750	80,000	79,250	159,250
2031	1,735,000	1,658,500	3,393,500	85,000	75,250	160,250
2032	1,860,000	1,571,750	3,431,750	90,000	71,000	161,000
2033	1,975,000	1,478,750	3,453,750	100,000	66,500	166,500
2034	2,115,000	1,380,000	3,495,000	105,000	61,500	166,500
2035	2,250,000	1,274,250	3,524,250	110,000	56,250	166,250
2036	2,615,000	1,161,750	3,776,750	130,000	50,750	180,750
2037	2,780,000	1,031,000	3,811,000	140,000	44,250	184,250
2038	3,305,000	892,000	4,197,000	165,000	37,250	202,250
2039	3,675,000	726,750	4,401,750	180,000	29,000	209,000
2040	3,910,000	543,000	4,453,000	190,000	20,000	210,000
2041	6,950,000	347,500	7,297,500	210,000	10,500	220,500
Total	$ 43,570,000	$ 27,693,494	$ 71,263,494	$ 2,015,000	$ 1,248,000	$ 3,263,000

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2022

Bonds and Interest Maturing in the Year Ending December 31,	$4,510,000 Special Revenue Bonds Series 2018 Dated March 8, 2018 Interest Rate at 5.125% Interest Payable June 15 and December 15 Principal Due December 15			Totals		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 250,000	$ 152,213	$ 402,213	$ 9,530,000	$ 34,211,467	$ 43,741,467
2024	265,000	139,400	404,400	3,555,000	4,763,688	8,318,688
2025	280,000	125,819	405,819	4,000,000	4,498,619	8,498,619
2026	305,000	111,469	416,469	4,460,000	4,195,963	8,655,963
2027	320,000	95,838	415,838	4,820,000	3,855,494	8,675,494
2028	345,000	79,438	424,438	5,185,000	3,485,738	8,670,738
2029	365,000	61,756	426,756	5,570,000	3,075,081	8,645,081
2030	390,000	43,050	433,050	6,000,000	2,633,450	8,633,450
2031	415,000	23,063	438,063	6,450,000	2,157,238	8,607,238
2032	35,000	1,794	36,794	1,985,000	1,644,544	3,629,544
2033	-	-	-	2,075,000	1,545,250	3,620,250
2034	-	-	-	2,220,000	1,441,500	3,661,500
2035	-	-	-	2,360,000	1,330,500	3,690,500
2036	-	-	-	2,745,000	1,212,500	3,957,500
2037	-	-	-	2,920,000	1,075,250	3,995,250
2038	-	-	-	3,470,000	929,250	4,399,250
2039	-	-	-	3,855,000	755,750	4,610,750
2040	-	-	-	4,100,000	563,000	4,663,000
2041	-	-	-	7,160,000	358,000	7,518,000
Total	$ 2,970,000	$ 833,838	$ 3,803,838	$ 82,460,000	$ 73,732,279	$ 156,192,279