

RESOLUTION NO. 2023 - 12 - 02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
TO ADOPT THE 2024 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Prairie Center Metropolitan District No. 3 (“District”) has appointed the District Accountant to prepare and submit a proposed 2024 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2023, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 6, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

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

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

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

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Prairie Center Metropolitan District No. 3 for the 2024 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 6h day of December, 2023.

A handwritten signature in black ink, consisting of a stylized 'P' followed by a horizontal line and a small flourish.

Secretary

(SEAL)

EXHIBIT A
(Budget)

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|---------------------|---------------------|----------------------|
| BEGINNING FUND BALANCES | \$ 8,243,372 | \$ 8,341,633 | \$ 8,608,371 |
| REVENUES | | | |
| Credit public improvement fees - PPI | 2,465,987 | 2,440,000 | 2,562,000 |
| Add-on public improvement fees - DPI | 2,490,651 | 2,470,000 | 2,593,000 |
| Credit public improvement fees - PRI | 616,497 | 610,000 | 640,000 |
| Shared sales tax increment | 924,449 | 950,000 | 900,000 |
| Add-on permit fees - DPI | - | 113,000 | 202,000 |
| Credit permit fees - PPI | - | 113,000 | 202,000 |
| Credit permit fees - PRI | - | 28,750 | 1,250 |
| Interest income | 155,882 | 377,000 | 500,000 |
| Facilities fees | - | 90,932 | 184,000 |
| Bond issuance proceeds - Series 2024 | - | - | 45,000,000 |
| Other revenue | 736 | 4,326 | 150,000 |
| Developer advance - project mgmt fee | - | 60,000 | 78,000 |
| City reimbursement - Outfall Channel | - | - | 100,000 |
| Transfer from District No. 1 | 700,000 | 1,259,573 | 711,160 |
| Transfer from District No. 4 | 2,308,780 | 2,315,481 | 2,804,101 |
| Transfer from District No. 5 | 452,021 | 455,964 | 647,019 |
| Transfer from District No. 10 | 231,863 | 259,904 | 360,911 |
| Total revenues | <u>10,346,866</u> | <u>11,547,930</u> | <u>57,635,441</u> |
| TRANSFERS IN | <u>1,550,000</u> | <u>1,750,000</u> | <u>6,000,000</u> |
| Total funds available | <u>20,140,238</u> | <u>21,639,563</u> | <u>72,243,812</u> |
| EXPENDITURES | | | |
| General and administrative | 262,524 | 363,404 | 570,262 |
| Operations and maintenance | 724,319 | 806,096 | 845,000 |
| Debt service | 7,643,944 | 8,469,292 | 9,285,738 |
| Capital projects | 1,617,818 | 1,642,400 | 43,028,000 |
| Total expenditures | <u>10,248,605</u> | <u>11,281,192</u> | <u>53,729,000</u> |
| TRANSFERS OUT | <u>1,550,000</u> | <u>1,750,000</u> | <u>6,000,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>11,798,605</u> | <u>13,031,192</u> | <u>59,729,000</u> |
| ENDING FUND BALANCES | <u>\$ 8,341,633</u> | <u>\$ 8,608,371</u> | <u>\$ 12,514,812</u> |
| EMERGENCY RESERVE | \$ 71,100 | \$ 89,200 | \$ 94,300 |
| AVAILABLE FOR OPERATIONS | 366,825 | 411,427 | 409,206 |
| SERIES 2007 SUB BONDS - REQ DEBT SERVICE | 1,017,150 | 1,017,150 | 1,017,150 |
| SERIES 2017 BONDS - REQ DEBT SERVICE | 3,572,644 | 3,572,644 | 3,572,644 |
| SERIES 2018 BONDS - REQ DEBT SERVICE | 346,706 | 346,706 | 346,706 |
| SERIES 2024 BONDS - REQ DEBT SERVICE | - | - | 4,000,000 |
| TOTAL RESERVE | <u>\$ 5,374,425</u> | <u>\$ 5,437,127</u> | <u>\$ 9,440,006</u> |

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|------------------------------------|----------------|-------------------|----------------|
| ASSESSED VALUATION | | | |
| State assessed | \$ 470 | \$ 50 | \$ 40 |
| Vacant land | 20 | 20 | 20 |
| Personal property | 8,890 | 980 | 820 |
| Certified Assessed Value | \$ 9,380 | \$ 1,050 | \$ 880 |
| MILL LEVY | | | |
| Total mill levy | 0.000 | 0.000 | 0.000 |
| PROPERTY TAXES | | | |
| Budgeted property taxes | \$ - | \$ - | \$ - |
| BUDGETED PROPERTY TAXES | | | |
| General | \$ - | \$ - | \$ - |

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCES | \$ 595,481 | \$ 437,925 | \$ 500,627 |
| REVENUES | | | |
| Interest income | - | 7,000 | 20,000 |
| Other revenue | 736 | 4,326 | - |
| Transfer from District No. 1 | 700,000 | 1,259,573 | 711,160 |
| Transfer from District No. 4 | 1,346,788 | 1,350,706 | 1,635,745 |
| Transfer from District No. 5 | 90,400 | 91,193 | 129,404 |
| Transfer from District No. 6 | - | - | 285,659 |
| Transfer from District No. 10 | 231,863 | 259,904 | 360,911 |
| Total revenues | <u>2,369,787</u> | <u>2,972,702</u> | <u>3,142,879</u> |
| Total funds available | <u>2,965,268</u> | <u>3,410,627</u> | <u>3,643,506</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 74,680 | 115,000 | 118,000 |
| Accounting - PIF collection fees | 19,564 | 24,000 | 26,000 |
| Auditing | 5,950 | 11,100 | 14,500 |
| Dues and membership | 3,478 | 4,479 | 5,500 |
| Insurance | 38,836 | 47,463 | 52,000 |
| District management | 20,615 | 25,000 | 35,000 |
| Legal | 71,737 | 110,000 | 120,000 |
| Miscellaneous | 15,189 | 13,862 | 24,000 |
| Election | 2,975 | 3,000 | - |
| Operations and maintenance | | | |
| Landscaping | 197,060 | 200,000 | 200,000 |
| Streets repairs and maintenance | 214,990 | 250,000 | 250,000 |
| Street sweeping | 12,096 | 12,096 | 15,000 |
| Water feature maintenance | 19,200 | 20,000 | 30,000 |
| Detention pond maintenance | - | 40,000 | 40,000 |
| Snow removal | 200,093 | 200,000 | 220,000 |
| Street lights, other | 7,384 | 8,000 | 10,000 |
| Site lighting | 18,079 | 20,000 | 22,000 |
| Water pump (electric) | 19,417 | 20,000 | 22,000 |
| District asset management | 36,000 | 36,000 | 36,000 |
| Total expenditures | <u>977,343</u> | <u>1,160,000</u> | <u>1,240,000</u> |
| TRANSFERS OUT | | | |
| Transfers to CPF | <u>1,550,000</u> | <u>1,750,000</u> | <u>1,900,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>2,527,343</u> | <u>2,910,000</u> | <u>3,140,000</u> |
| ENDING FUND BALANCES | <u>\$ 437,925</u> | <u>\$ 500,627</u> | <u>\$ 503,506</u> |
| EMERGENCY RESERVE | \$ 71,100 | \$ 89,200 | \$ 94,300 |
| AVAILABLE FOR OPERATIONS | 366,825 | 411,427 | 409,206 |
| TOTAL RESERVE | <u>\$ 437,925</u> | <u>\$ 500,627</u> | <u>\$ 503,506</u> |

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PPI & DPI
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/29/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|---------------------|---------------------|----------------------|
| BEGINNING FUND BALANCES | \$ 6,196,611 | \$ 6,518,211 | \$ 6,521,997 |
| REVENUES | | | |
| Add-on permit fees - DPI | - | 113,000 | 202,000 |
| Credit permit fees - PPI | - | 113,000 | 202,000 |
| Shared sales tax increment | 924,449 | 950,000 | 900,000 |
| Interest income | 145,413 | 320,000 | 400,000 |
| Facilities fees | - | 90,932 | 184,000 |
| Other revenue | - | - | 100,000 |
| Credit public improvement fees - PPI | 2,465,987 | 2,440,000 | 2,562,000 |
| Add-on public improvement fees - DPI | 2,490,651 | 2,470,000 | 2,593,000 |
| Transfer from District No. 4 | 961,992 | 964,775 | 1,168,356 |
| Transfer from District No. 5 | 361,621 | 364,771 | 517,615 |
| Total revenues | <u>7,350,113</u> | <u>7,826,478</u> | <u>8,828,971</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | - | - | 4,000,000 |
| Total funds available | <u>13,546,724</u> | <u>14,344,689</u> | <u>19,350,968</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Paying agent fees | 6,000 | 6,000 | 6,000 |
| Contingency | - | - | 115,262 |
| Debt Service | | | |
| Bond interest - Series 2007 | 3,752,763 | 4,523,586 | 3,500,000 |
| Bond interest - Series 2017 | 2,269,750 | 2,228,106 | 2,183,738 |
| Bond interes - Series 2024 | - | - | 1,800,000 |
| Bond principal - Series 2017 | 1,000,000 | 1,065,000 | 1,145,000 |
| Total expenditures | <u>7,028,513</u> | <u>7,822,692</u> | <u>8,750,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>7,028,513</u> | <u>7,822,692</u> | <u>8,750,000</u> |
| ENDING FUND BALANCES | <u>\$ 6,518,211</u> | <u>\$ 6,521,997</u> | <u>\$ 10,600,968</u> |
| SERIES 2007 SUB BONDS - REQ DEBT SERVICE | \$ 1,017,150 | \$ 1,017,150 | \$ 1,017,150 |
| SERIES 2017 BONDS - REQ DEBT SERVICE | 3,572,644 | 3,572,644 | 3,572,644 |
| SERIES 2024 BONDS - REQ DEBT SERVICE | - | - | 4,000,000 |
| TOTAL RESERVE | <u>\$ 4,589,794</u> | <u>\$ 4,589,794</u> | <u>\$ 8,589,794</u> |

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PRI
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCES | \$ 515,104 | \$ 517,139 | \$ 524,789 |
| REVENUES | | | |
| Credit permit fees - PRI | - | 28,750 | 1,250 |
| Interest income | 10,469 | 25,000 | 30,000 |
| Other revenue | - | - | 50,000 |
| Credit public improvement fees - PRI | 616,497 | 610,000 | 640,000 |
| Total revenues | <u>626,966</u> | <u>663,750</u> | <u>721,250</u> |
| Total funds available | <u>1,142,070</u> | <u>1,180,889</u> | <u>1,246,039</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Paying agent fees | 3,500 | 3,500 | 3,500 |
| Contingency | - | - | 50,500 |
| Debt Service | | | |
| Bond interest - Series 2018 | 171,431 | 147,600 | 122,000 |
| Bond principal - Series 2018 | 450,000 | 505,000 | 535,000 |
| Total expenditures | <u>624,931</u> | <u>656,100</u> | <u>711,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>624,931</u> | <u>656,100</u> | <u>711,000</u> |
| ENDING FUND BALANCES | <u>\$ 517,139</u> | <u>\$ 524,789</u> | <u>\$ 535,039</u> |
| SERIES 2018 BONDS - REQ DEBT SERVICE | <u>\$ 346,706</u> | <u>\$ 346,706</u> | <u>\$ 346,706</u> |
| TOTAL RESERVE | <u>\$ 346,706</u> | <u>\$ 346,706</u> | <u>\$ 346,706</u> |

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|-------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 936,176 | \$ 868,358 | \$ 1,060,958 |
| REVENUES | | | |
| Interest income | - | 25,000 | 50,000 |
| Developer advance - project mgmt fee | - | 60,000 | 78,000 |
| Bond issuance proceeds - Series 2024 | - | - | 45,000,000 |
| Total revenues | <u>-</u> | <u>85,000</u> | <u>45,128,000</u> |
| TRANSFERS IN | | | |
| Transfers from CPF - Stormwater | - | - | 100,000 |
| Transfers from GF | 1,550,000 | 1,750,000 | 1,900,000 |
| | <u>1,550,000</u> | <u>1,750,000</u> | <u>2,000,000</u> |
| Total funds available | <u>2,486,176</u> | <u>2,703,358</u> | <u>48,188,958</u> |
| EXPENDITURES | | | |
| Capital Projects | | | |
| Repayment of Developer advance | 800,000 | - | 32,500,000 |
| Bond issue costs | - | 82,400 | 2,500,000 |
| Refund - Series 2007 | - | - | 6,000,000 |
| DPI - Project management | 28,898 | 60,000 | 78,000 |
| DPI - Project management interest | 45,113 | - | - |
| PRI - Project management interest | 75 | - | - |
| Retail Two - Road Extension | 57,135 | 750,000 | 250,000 |
| Retail Four - Road Extension | 19,007 | 50,000 | 850,000 |
| Lutz Reservoir | 275,718 | 700,000 | - |
| Village Five Park | 38,009 | - | 600,000 |
| Medical Center Drive | 353,863 | - | - |
| Village Five Trail | - | - | 250,000 |
| Total expenditures | <u>1,617,818</u> | <u>1,642,400</u> | <u>43,028,000</u> |
| TRANSFERS OUT | | | |
| Transfers to other fund | - | - | 4,000,000 |
| Total expenditures and transfers out requiring appropriation | <u>1,617,818</u> | <u>1,642,400</u> | <u>47,028,000</u> |
| ENDING FUND BALANCES | <u>\$ 868,358</u> | <u>\$ 1,060,958</u> | <u>\$ 1,160,958</u> |

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
 CAPITAL PROJECTS FUND - STORMWATER
 2024 BUDGET
 WITH 2022 ACTUAL AND 2023 ESTIMATED
 For the Years Ended and Ending December 31,**

1/29/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|--------------------|--------------------|--------------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| City reimbursement - Outfall Channel | - | - | 100,000 |
| Total revenues | <u>-</u> | <u>-</u> | <u>100,000</u> |
| Total funds available | <u>-</u> | <u>-</u> | <u>100,000</u> |
| EXPENDITURES | | | |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| TRANSFERS OUT | | | |
| Transfers to CPF | <u>-</u> | <u>-</u> | <u>100,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>-</u> | <u>-</u> | <u>100,000</u> |
| ENDING FUND BALANCES | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Credit Public Improvement Fees (Credit PIF)

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

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

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

Interest Income

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

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

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

City Reimbursement

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

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Shared Sales Tax Increment

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

Facilities Fees

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

Expenditures

General, Administrative and Operating Expenditures

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

Capital Outlay

The District anticipates infrastructure improvements during 2024 as reflected in the Capital Projects Fund.

Debt Service

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

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

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

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

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

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

The District anticipates issuing Series 2024 Limited Property Tax Supported Bonds in March 2024.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

The following is an analysis of anticipated changes in the District's long-term obligations for the years ending December 31, 2023 and 2024:

| | December 31, 2022 | Additions | Retirements | Anticipated Balance December 31, 2023 |
|---------------------------|-----------------------|---------------------|---------------------|---|
| Bonds Payable | | | | |
| Series 2007 | \$ 33,905,000 | \$ - | \$ - | \$ 33,905,000 |
| Series 2017 | 45,585,000 | - | 1,065,000 | 44,520,000 |
| Series 2018 | 2,970,000 | - | 505,000 | 2,465,000 |
| Accrued Interest on Bonds | | | | |
| Series 2007 | 28,744,374 | 3,220,975 | 4,523,586 | 27,441,763 |
| Bond Issue Discount | | | | |
| Series 2017 | (160,100) | - | (12,384) | (147,716) |
| Series 2018 | (31,463) | - | (3,213) | (28,250) |
| Developer Advance | | | | |
| Debt Service | 2,066,963 | - | - | 2,066,963 |
| Capital | 19,621,311 | - | - | 19,621,311 |
| Accrued Interest on | | | | |
| Debt Service | 2,729,299 | 550,000 | - | 3,279,299 |
| Capital | 18,047,317 | 4,200,000 | - | 22,247,317 |
| Funding Fee Payable | 1,311,139 | 196,000 | - | 1,507,139 |
| Total | <u>\$ 154,788,840</u> | <u>\$ 8,166,975</u> | <u>\$ 6,077,989</u> | <u>\$ 156,877,826</u> |

| | Anticipated Balance December 31, 2023 | Additions | Retirements | Anticipated Balance December 31, 2024 |
|---------------------------|---|----------------------|----------------------|---|
| Bonds Payable | | | | |
| Series 2007 | \$ 33,905,000 | \$ - | \$ - | \$ 33,905,000 |
| Series 2017 | 44,520,000 | - | 1,145,000 | 43,375,000 |
| Series 2018 | 2,465,000 | - | 535,000 | 1,930,000 |
| Series 2024 | - | 45,000,000 | - | 45,000,000 |
| Accrued Interest on Bonds | | | | |
| Series 2007 | 27,441,763 | 3,220,975 | 9,500,000 | 21,162,738 |
| Bond Issue Discount | | | | |
| Series 2017 | (147,716) | - | (12,137) | (135,579) |
| Series 2018 | (28,250) | - | (3,197) | (25,053) |
| Developer Advance | | | | |
| Debt Service | 2,066,963 | - | - | 2,066,963 |
| Capital | 19,621,311 | - | - | 19,621,311 |
| Accrued Interest on | | | | |
| Debt Service | 3,279,299 | 600,000 | - | 3,879,299 |
| Capital | 22,247,317 | 4,800,000 | - | 27,047,317 |
| Funding Fee Payable | 1,507,139 | 196,000 | - | 1,703,139 |
| Total | <u>\$ 156,877,826</u> | <u>\$ 53,816,975</u> | <u>\$ 11,164,666</u> | <u>\$ 199,530,135</u> |

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

The District has no outstanding operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2024 as defined under TABOR.

Debt Service Reserves

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

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

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

This information is an integral part of the accompanying budget.

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

| Bonds and Interest Maturing in the Year Ending December 31, | \$47,095,000 | | | \$2,215,000 | | | Totals | | |
|--|---|----------------------|----------------------|---|---------------------|---------------------|----------------------|----------------------|----------------------|
| | Limited Property Tax Supported Revenue Bonds, Series 2017A Dated October 26, 2017 Interest Rates: 4.168% - 5.000% Interest Payable June 15 and December 15 Principal Due December 15 | | | Limited Property Tax Supported Revenue Bonds, Series 2017B Dated October 26, 2017 Interest Rate: 5.000% Interest Payable June 15 and December 15 Principal Due December 15 | | | | | |
| | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2024 | \$ 1,090,000 | \$ 2,085,488 | \$ 3,175,488 | \$ 55,000 | \$ 98,250 | \$ 153,250 | \$ 1,145,000 | \$ 2,183,738 | \$ 3,328,738 |
| 2025 | 1,165,000 | 2,040,525 | 3,205,525 | 55,000 | 95,500 | 150,500 | 1,220,000 | 2,136,025 | 3,356,025 |
| 2026 | 1,250,000 | 1,992,469 | 3,242,469 | 60,000 | 92,750 | 152,750 | 1,310,000 | 2,085,219 | 3,395,219 |
| 2027 | 1,325,000 | 1,940,906 | 3,265,906 | 65,000 | 89,750 | 154,750 | 1,390,000 | 2,030,656 | 3,420,656 |
| 2028 | 1,415,000 | 1,886,250 | 3,301,250 | 70,000 | 86,500 | 156,500 | 1,485,000 | 1,972,750 | 3,457,750 |
| 2029 | 1,515,000 | 1,815,500 | 3,330,500 | 75,000 | 83,000 | 158,000 | 1,590,000 | 1,898,500 | 3,488,500 |
| 2030 | 1,625,000 | 1,739,750 | 3,364,750 | 80,000 | 79,250 | 159,250 | 1,705,000 | 1,819,000 | 3,524,000 |
| 2031 | 1,735,000 | 1,658,500 | 3,393,500 | 85,000 | 75,250 | 160,250 | 1,820,000 | 1,733,750 | 3,553,750 |
| 2032 | 1,860,000 | 1,571,750 | 3,431,750 | 90,000 | 71,000 | 161,000 | 1,950,000 | 1,642,750 | 3,592,750 |
| 2033 | 1,975,000 | 1,478,750 | 3,453,750 | 100,000 | 66,500 | 166,500 | 2,075,000 | 1,545,250 | 3,620,250 |
| 2034 | 2,115,000 | 1,380,000 | 3,495,000 | 105,000 | 61,500 | 166,500 | 2,220,000 | 1,441,500 | 3,661,500 |
| 2035 | 2,250,000 | 1,274,250 | 3,524,250 | 110,000 | 56,250 | 166,250 | 2,360,000 | 1,330,500 | 3,690,500 |
| 2036 | 2,615,000 | 1,161,750 | 3,776,750 | 130,000 | 50,750 | 180,750 | 2,745,000 | 1,212,500 | 3,957,500 |
| 2037 | 2,780,000 | 1,031,000 | 3,811,000 | 140,000 | 44,250 | 184,250 | 2,920,000 | 1,075,250 | 3,995,250 |
| 2038 | 3,305,000 | 892,000 | 4,197,000 | 165,000 | 37,250 | 202,250 | 3,470,000 | 929,250 | 4,399,250 |
| 2039 | 3,675,000 | 726,750 | 4,401,750 | 180,000 | 29,000 | 209,000 | 3,855,000 | 755,750 | 4,610,750 |
| 2040 | 3,910,000 | 543,000 | 4,453,000 | 190,000 | 20,000 | 210,000 | 4,100,000 | 563,000 | 4,663,000 |
| 2041 | 6,950,000 | 347,500 | 7,297,500 | 210,000 | 10,500 | 220,500 | 7,160,000 | 358,000 | 7,518,000 |
| | <u>\$ 42,555,000</u> | <u>\$ 25,566,138</u> | <u>\$ 68,121,138</u> | <u>\$ 1,965,000</u> | <u>\$ 1,147,250</u> | <u>\$ 3,112,250</u> | <u>\$ 44,520,000</u> | <u>\$ 26,713,388</u> | <u>\$ 71,233,388</u> |

No assurance provided. See summary of significant assumptions.

I, Peggy Ripko, hereby certify that I am the duly appointed Secretary of the Prairie Center Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Prairie Center Metropolitan District No. 3 held on December 6, 2023.

By: 

Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____, Colorado.


On behalf of the _____
(taxing entity)^A
the _____
(governing body)^B
of the _____
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ _____ assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ _____ (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: _____ for budget/fiscal year _____
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

| PURPOSE (see end notes for definitions and examples) | LEVY ² | REVENUE ² |
|--|----------------------------|-------------------------|
| 1. General Operating Expenses ^H | _____ mills | \$ _____ |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < _____ > mills | \$ < _____ > |
| SUBTOTAL FOR GENERAL OPERATING: | <input type="text"/> mills | \$ <input type="text"/> |
| 3. General Obligation Bonds and Interest ^J | _____ mills | \$ _____ |
| 4. Contractual Obligations ^K | _____ mills | \$ _____ |
| 5. Capital Expenditures ^L | _____ mills | \$ _____ |
| 6. Refunds/Abatements ^M | _____ mills | \$ _____ |
| 7. Other ^N (specify): _____ | _____ mills | \$ _____ |
| | _____ mills | \$ _____ |
| TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7] | <input type="text"/> mills | \$ <input type="text"/> |

Contact person: _____ Phone: (303)779-5710
Signed:  Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.