

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2025

PRAIRE CENTER METROPOLITAN DISTRICT NO. 7
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/21/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 4,157,348	\$ 2,654,519	\$ 1,070,039
REVENUES			
Property taxes	524,772	935,615	1,011,494
Specific ownership taxes	35,250	44,400	60,689
Operations and maintenance fee	152,250	243,000	290,400
Administrative costs transfer fee	12,200	38,500	10,000
Interest Income	222,927	145,015	60,000
Developer advance	2,244,295	1,017,052	-
Facilities fees	207,000	105,000	-
Other Revenue	7,068	6,000	5,000
Developer advance - Project Management Fee	62,618	15,400	-
Credit public improvement fees	159,088	96,435	-
Add-On public improvement fees	159,088	96,434	-
Credit public improvement fees - PRI	39,772	24,109	-
Drainage impact fees	361,820	119,008	-
Rebated City fees	459,459	493,244	-
Neighborhood Park impact fees	114,318	94,608	-
Total revenues	4,761,925	3,473,820	1,437,583
 Total funds available	 8,919,273	 6,128,339	 2,507,622
EXPENDITURES			
General and administrative	133,004	141,025	193,500
Operations and maintenance	193,843	286,481	347,500
Debt service	1,700,606	2,392,444	950,000
Capital projects	4,237,301	2,238,350	-
Total expenditures	6,264,754	5,058,300	1,491,000
Total expenditures and transfers out requiring appropriation	6,264,754	5,058,300	1,491,000
ENDING FUND BALANCES	\$ 2,654,519	\$ 1,070,039	\$ 1,016,622
EMERGENCY RESERVE	\$ 8,000	\$ 13,600	\$ 14,600
AVAILABLE FOR O&M RESERVE	-	34,888	14,976
SERIES 2020 - REQUIRED DEBT SERVICE	812,672	812,672	812,672
TOTAL RESERVE	\$ 820,672	\$ 861,160	\$ 842,248

No assurance provided. See summary of significant assumptions.

PRAIRE CENTER METROPOLITAN DISTRICT NO. 7
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/21/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Residential - Single Family	\$ 5,620,000	\$ 9,720,250	\$ 11,773,730
State assessed	3,290	3,870	4,510
Vacant land	2,175,020	2,585,770	1,028,460
Personal property	120,760	203,020	216,600
Certified Assessed Value	<u>\$ 7,919,070</u>	<u>\$ 12,512,910</u>	<u>\$ 13,023,300</u>

MILL LEVY

General	11.031	12.462	12.944
Debt Service	55.156	62.310	64.724
Total mill levy	<u>66.187</u>	<u>74.772</u>	<u>77.668</u>

PROPERTY TAXES

General	\$ 87,355	\$ 155,936	\$ 168,574
Debt Service	436,784	779,679	842,920
Levied property taxes	<u>524,139</u>	<u>935,615</u>	<u>1,011,494</u>
Adjustments to actual/rounding	633	-	-
Budgeted property taxes	<u>\$ 524,772</u>	<u>\$ 935,615</u>	<u>\$ 1,011,494</u>

BUDGETED PROPERTY TAXES

General	\$ 87,460	\$ 155,936	\$ 168,574
Debt Service	437,312	779,679	842,920
	<u>\$ 524,772</u>	<u>\$ 935,615</u>	<u>\$ 1,011,494</u>

PRAIRE CENTER METROPOLITAN DISTRICT NO. 7
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/21/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ (18,624)	\$ (22,433)	\$ 48,488
REVENUES			
Property taxes	87,460	155,936	168,574
Specific ownership taxes	5,875	7,400	10,114
Operations and maintenance fee	152,250	243,000	290,400
Interest Income	44	15	-
Developer advance	43,585	27,881	-
Administrative costs transfer fee	12,200	38,500	10,000
Other Revenue	7,068	6,000	5,000
Total revenues	308,482	478,732	484,088
Total funds available	289,858	456,299	532,576
EXPENDITURES			
General and administrative			
Accounting	43,514	47,000	50,000
Auditing	4,900	6,000	6,600
County Treasurer's Fee	1,311	2,339	2,529
Directors' fees	1,200	1,200	1,600
Dues and Membership	1,238	810	1,500
Insurance	11,231	10,981	13,000
District management	13,982	20,000	25,000
Legal	24,668	26,000	30,000
Miscellaneous	14,558	7,000	5,271
Election	1,846	-	20,000
Operations and maintenance			
Repairs and maintenance - District Tract	932	2,300	2,500
Landscaping - District Tracts	43,897	65,000	105,000
Tree care	-	20,681	15,000
Electricity - District Tracts	1,531	2,000	2,000
Community management	33,284	36,000	51,000
Billing	25,232	24,000	25,000
Snow removal	12,014	25,000	25,000
Underdrain system maintenance	-	-	10,000
Irrigation Water- DistrictTracts	75,715	110,000	110,000
Pet Station services	1,238	1,500	2,000
Total expenditures	312,291	407,811	503,000
Total expenditures and transfers out requiring appropriation	312,291	407,811	503,000
ENDING FUND BALANCES	\$ (22,433)	\$ 48,488	\$ 29,576
EMERGENCY RESERVE	\$ 8,000	\$ 13,600	\$ 14,600
AVAILABLE FOR O&M RESERVE	-	34,888	14,976
TOTAL RESERVE	\$ 8,000	\$ 48,488	\$ 29,576

No assurance provided. See summary of significant assumptions.

PRAIRE CENTER METROPOLITAN DISTRICT NO. 7
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/21/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 1,067,541	\$ 1,358,118	\$ 847,387
REVENUES			
Property taxes	437,312	779,679	842,920
Specific ownership taxes	29,375	37,000	50,575
Credit public improvement fees	159,088	96,435	-
Add-On public improvement fees	159,088	96,434	-
Interest Income	78,279	80,000	60,000
Drainage impact fees	361,820	119,008	-
Facilities fees	207,000	105,000	-
Rebated City fees	459,459	493,244	-
Neighborhood Park impact fees	114,318	94,608	-
Total revenues	2,005,739	1,901,408	953,495
Total funds available	3,073,280	3,259,526	1,800,882
EXPENDITURES			
General and administrative			
County Treasurer's Fee	6,556	11,695	12,644
Paying agent fees	8,000	8,000	8,000
Contingency	-	-	17,356
Debt Service			
Bond interest	410,606	352,444	280,000
Bond principal	1,290,000	2,040,000	670,000
Total expenditures	1,715,162	2,412,139	988,000
Total expenditures and transfers out requiring appropriation	1,715,162	2,412,139	988,000
ENDING FUND BALANCES	\$ 1,358,118	\$ 847,387	\$ 812,882
SERIES 2020 - REQUIRED DEBT SERVICE	\$ 812,672	\$ 812,672	\$ 812,672
TOTAL RESERVE	\$ 812,672	\$ 812,672	\$ 812,672

No assurance provided. See summary of significant assumptions.

PRAIRE CENTER METROPOLITAN DISTRICT NO. 7
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/21/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 3,108,431	\$ 1,318,834	\$ 174,164
REVENUES			
Interest Income	144,604	65,000	-
Developer advance	2,200,710	989,171	-
Developer advance - Project Management Fe	62,618	15,400	-
Credit public improvement fees - PRI	39,772	24,109	-
Total revenues	2,447,704	1,093,680	-
Total funds available	5,556,135	2,412,514	174,164
EXPENDITURES			
Capital projects			
Accounting	29,010	22,000	-
Legal	13,856	-	-
Project management fee	62,618	15,400	-
Project management fee interest	75,169	-	-
Engineering	12,438	10,000	-
Repay developer advance	2,233,600	2,000,000	-
PPI			
Village 1 - Phase 3	15,707	-	-
Village 1 - Phase 4	913,288	15,000	-
DPI			
Village 1 - Phase 2	-	950	-
Village 1 - Phase 3	46,607	-	-
Village 1 - Phase 4	835,008	175,000	-
Total expenditures	4,237,301	2,238,350	-
Total expenditures and transfers out requiring appropriation	4,237,301	2,238,350	-
ENDING FUND BALANCES	\$ 1,318,834	\$ 174,164	\$ 174,164

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prairie Center Metropolitan District No. 7 (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, concurrently with Prairie Center Metropolitan District Nos 3-6 and 8-10, 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.

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.

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

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.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. Section 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.

Revenues

Property Taxes

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

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes (Continued)

For property tax collection year 2025, SB22-238 and SB23B-001, SB 24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Interest Income

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

Operations and Administrative Costs Transfer Fees

The District established an operations fee on each residential lot along with a one-time administrative costs transfer fee upon closing to cover the costs of operations and maintaining the District improvements. In 2025, the District increases the operations fee to \$788 per year and the administrative costs transfer fee to \$500 per closing.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Facilities Fees, Credit PIF, Add-On PIF, Drainage Impact Fees, Rebated City Fees, and Neighborhood Park Impact Fees

The District entered into an Intergovernmental Agreement Regarding Assignment of Revenues (the IGA) with Prairie Center Metro District No. 3 (District No. 3). Per the IGA, District No. 3 agrees to transfer to the District its rights to receive revenues as set forth in the IGA that are directly attributable to Village I. District No. 3 is relieved from providing any public improvements or management services related to Village I as it is being developed by the District, separately from the remaining development.

These assigned revenues include:

- *Facilities Fees* – being assessed for the use of the District’s improvements. The facilities fee is \$3,000 per single-family, detached dwelling unit, due on or before the date of issuance of a building permit by the City of Brighton.
- *Credit and Add-On PIF* – being assessed on use tax transactions and collected at the time of building permit issuance. The Credit PIF is calculated as 1.25% of 50% of the project valuation. The Add-On PIF is calculated as 1.00% of 50% of the project valuation.
- *Drainage Impact Fees* – the City of Brighton shall reimburse the District, on a quarterly basis from building permits issued, for the design, financing and construction of the stormwater improvements.
- *Rebated City Fees* – the City of Brighton shall remit a per-lot rebated fee to the District, on a quarterly basis from certificates of occupancy issued, in the amount of \$6,756.75 per single-family residential lot for a total reimbursement not to exceed \$2,500,000 at the completion of the Village 1 Subdivision.
- *Neighborhood Park Impact Fees* - the City of Brighton has agreed to remit the Neighborhood Park Impact Fees to the District as reimbursement for the costs of construction of certain Neighborhood Park Improvements in the amount of \$1,971 per residential unit.

Expenditures

General and Administrative

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.

Operations and Maintenance

Operations and maintenance expenditures include estimated expenditures for improvements within the District related to repairs and maintenance, landscaping maintenance, park maintenance, utility costs and snow removal.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Treasurer's Fees

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

Debt Service

Payments on Series 2020 Bonds are based on the amount of funds available. Therefore, a scheduled amortization has not been included in the budget.

Series 2021 Subordinate Bonds are also structured as cash flow bonds. A debt amortization schedule has not been provided as payments are made when funds are available.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects Fund.

Debt and Leases

Limited Tax General Obligation Bonds, Series 2020

The District issued Series 2020 Limited Tax General Obligation Bonds on August 12, 2020, in the par amount of \$12,225,000. Proceeds from the sale of the Bonds will be used to finance a portion of the costs of constructing certain public infrastructure to serve the Development and certain other property within Prairie Center and repay advances made by the Developer to the District to construct such public infrastructure. A portion of the proceeds of the Bonds will also be used to fund: (a) the Reserve Fund, (b) capitalized interest on the Bonds; and (c) costs of issuing the Bonds. The Bonds will be issued as two term bonds. The first term bond bears interest at 4.125% and matures on December 15, 2036. The second term bond bears interest at 4.875% and matures on December 15, 2044. Interest on the Bonds is payable semi-annually on June 15 and December 15 ("Interest Payment Dates"), beginning on December 15, 2020, to the extent of available Pledged Revenue.

The Bonds are structured as "cash flow" bonds, meaning that no regularly scheduled payments of principal are due on the term Bonds prior to their respective maturity dates. Instead, principal is payable on each June 15 and December 15 from available Pledged Revenue, if any, pursuant to a mandatory redemption, after paying interest due on such Interest Payment Date and after funding in full interest coming due on the next Interest Payment Date (the "Subsequent Interest Payment Date"), less any amounts on deposit in such account, including any deposits from capitalized interest. To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid. To the extent interest on any Bond is not paid when due, such interest shall compound semiannually on each Interest Payment Date, at the rate then borne by the Bond.

The Bonds are secured by and payable solely from Pledged Revenue, which includes property taxes derived from the Required Mill Levy net of the cost of collection, Specific Ownership Taxes attributable to the Required Mill Levy, Pledged PIF Revenues, PILOT revenues (if any), and any other legally available moneys of the District which the District deposits with the Trustee for application as Pledged Revenue. The forecast does not include Pledged PIF or PILOT revenues. The Bonds are also secured by amounts held in the Reserve Fund in the amount \$812,672.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (Continued)

Subordinate Limited Tax General Obligation Bonds, Series 2021

The District issued Subordinate Limited Tax General Obligation Bonds (the Subordinate Bonds) on November 30, 2021, in the par amount of \$3,990,000. Proceeds from the sale of the Subordinate Bonds were used to repay advances made by the Developer to the District to construct such public infrastructure to serve the development and certain other property within Prairie Center, and to pay costs of issuing the Subordinate Bonds.

The Subordinate Bonds bear interest at the rate of 6.375% per annum and are payable annually on December 15, beginning December 15, 2022, but only to the extent of available Subordinate Pledged Revenue. The Subordinate Bonds are structured as “cash flow” bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date of June 15, 2046. Principal on the Subordinate Bonds is payable on each December 15 from, and to the extent of, Subordinate Pledged Revenue available 45 days prior to such December 15.

Accrued unpaid interest on the Subordinate Bonds compounds annually on each December 15 until sufficient Subordinate Pledged Revenue is available for payment or until discharged. In the event that any amount of principal or interest on the Subordinate Bonds remains unpaid after application of all Subordinate Pledged Revenue available therefor on December 15, 2056, the Subordinate Bonds will be deemed discharged. No payments are permitted to be made on the Subordinate Bonds until the 2020 Senior Bonds and any other Senior Obligations issued by the District have been paid in full or defeased.

The Subordinate Bonds are secured by and payable from moneys derived by the District from the following sources: (a) all Subordinate Property Tax Revenues; (b) all Subordinate Specific Ownership Tax Revenues; and (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (Continued)

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

	Balance - December 31, 2023	Additions	Retirements	Anticipated Balance - December 31, 2024
Bonds Payable				
Series 2020 - Senior	\$ 7,955,000	\$ -	\$ 2,040,000	\$ 5,915,000
Series 2021 - Subordinate	3,990,000	-	-	3,990,000
Accrued Interest on Bonds				
Series 2021 - Subordinate	549,039	289,364	-	838,403
Developer Advances:				
Operating	615,184	27,881	-	643,065
Capital	14,027,185	989,171	734,000	14,282,356
Accrued Interest				
Operating	135,916	69,000	-	204,916
Capital	254,830	1,266,000	1,266,000	254,830
Funding Fee Payable	121,595	55,000	-	176,595
Total	<u>\$ 27,648,749</u>	<u>\$ 2,696,416</u>	<u>\$ 4,040,000</u>	<u>\$ 26,305,165</u>
	Anticipated Balance - December 31, 2024	Additions	Retirements	Anticipated Balance - December 31, 2025
Bonds Payable				
Series 2020 - Senior	\$ 5,915,000	\$ -	\$ 670,000	\$ 5,245,000
Series 2021 - Subordinate	3,990,000	-	-	3,990,000
Accrued Interest on Bonds				
Series 2021 - Subordinate	838,403	307,811	-	1,146,214
Developer Advances:				
Operating	643,065	-	-	643,065
Capital	14,282,356	-	-	14,282,356
Accrued Interest				
Operating	204,916	76,000	-	280,916
Capital	254,830	1,308,000	-	1,562,830
Funding Fee Payable	176,595	55,000	-	231,595
Total	<u>\$ 26,305,165</u>	<u>\$ 1,746,811</u>	<u>\$ 670,000</u>	<u>\$ 27,381,976</u>

The District has no outstanding operating or capital leases.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Funds

Emergency Reserve

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

Debt Service Reserve

The Series 2020 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$812,672.

This information is an integral part of the accompanying budget.