

**ANNUAL REPORT**  
**FOR THE YEAR 2022**  
**PRAIRIESTAR METROPOLITAN DISTRICT NOS. 1, 3 AND 4**

As required by Section VII of the Service Plans for PrairieStar Metropolitan District No. 1 (“**District No. 1**”), PrairieStar Metropolitan District No. 3 (“**District No. 3**”), and PrairieStar Metropolitan District No. 4 (“**District No. 4**”, together with District No. 1 and District No. 3, the “**Districts**”), approved by the Town of Berthoud, Colorado (“**Town**”) on July 27, 2010, we present the following report of the Districts’ activities from January 1, 2022 to December 31, 2022:

- 1. Boundary changes made or proposed to the Districts’ boundaries as of December 31 of the prior year.** There were no Boundary changes made or proposed for the Districts during 2022.
  
- 2. Agreements with other governmental entities entered into or proposed or terminated as of December 31 of the prior year.**
  - Intergovernmental Agreement by and between District No. 1 and the Town dated December 14, 2010.
  - Intergovernmental Agreement by and between District No. 3 and the Town dated December 14, 2010.
  - Intergovernmental Agreement by and between District No. 4 and the Town dated December 14, 2010.
  - Memorandum of Understanding entered into on December 14, 2010, with an effective date of December 8, 2010, by and among District No. 1, District No. 2, District No. 3 and District No. 4.
    - *Termination of Memorandum of Understanding* by and among District No. 1, District No. 2, District No. 3 and District No. 4 dated and effective December 10, 2021.
  - Facilities Funding, Construction and Operations Agreement dated December 9, 2014, and effective December 5, 2013 by and between District No. 1 and PrairieStar Metropolitan District No. 2 (“**District No. 2**”), as amended by the Amended and Restated Facilities Funding, Construction and Operations Agreement dated and effective August 3, 2016.
    - Second Amended and Restated Facilities Funding, Construction and Operations Agreement dated and effective March 28, 2018, by and among District No. 1, District No. 2 and District No. 3.
      - *Termination of Facilities Funding, Construction and Operations Agreement* dated and effective December 10, 2021 by and among District No. 1, District No. 2 and District No. 3.

- Inclusion Agreement dated March 27, 2019 by and between District Nos. 1, 2 and PrairieStar, Inc., as amended by that First Amendment dated February 18, 2021.
    - *District No. 1 acknowledged fulfillment of its obligations under the Inclusion Agreement, coincident with the issuance of the District No. 2 2021 Bonds and distribution of reimbursement to PrairieStar, Inc., which occurred on December 10, 2021.*
  - Memorandum of Understanding for Stormwater Improvements by and between District No. 2 and District No. 3 dated March 25, 2022.
3. **A list of all facilities and improvements constructed or acquired by the Districts and those that have been dedicated to and accepted by the Town as of December 31 of the prior year.** No improvements were constructed or acquired by the Districts.
  4. **Audit of the Districts' financial statements, for the year ending December 31<sup>st</sup> of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.** Please find attached as **Exhibit A** the 2022 Application for Exemption from Audit for District No. 1. Please note District No. 1 declared Inactive Status effective January 1, 2023. District No. 4 has been in Inactive Status since June 1, 2019. District No. 3's 2022 Audit is in the process of being completed and will be provided as a supplement to this Report when complete.
  5. **Notice of continuing disclosure undertaking for events of default by the Districts, which continue beyond a ninety (90) day period, under any Debt instrument.** None.
  6. **Any inability of the Districts to pay its obligations as they come due in accordance with the terms of and Debt instruments, which continue beyond a ninety (90) day period.** None.

*The following information required by Section 32-1-207(3)(c)(II), C.R.S. (and not already disclosed above) is also provided:*

7. **Access information to obtain a copy of rules and regulations adopted.** The Districts have not adopted any rules and regulations.
8. **Summary of litigation involving the Districts' public improvements.** There is no litigation involving the Districts' public improvements.
9. **Conveyances or dedications of facilities or improvements, constructed by the Districts, to the Town.** There have been no conveyances or dedications of facilities or improvements, constructed by the Districts, to the Town.

10. **Final assessed valuation of the Districts for the report year.** Please see the final assessed valuations for the Districts for the report year, attached hereto as **Exhibit B**.
11. **Current year's budget.** A Copy of District No. 3's 2023 budget is attached hereto as **Exhibit C**. District No. 1 and District No. 4 are in Inactive Status and were not required to adopt 2023 budgets.

**EXHIBIT A**  
**Audit Exemption / Audit**

**EXHIBIT B**  
**Final Assessed Valuations**

# CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 216 - PRAIRIESTAR METRO DISTRICT NO. 3

IN LARIMER COUNTY ON 11/17/2022

New Entity: No

**USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY**

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$668
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$711
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$711
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND ( 29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

\* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

# Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

**USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY**

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN LARIMER COUNTY, COLORADO ON AUGUST 25, 2022

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$2,300
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
<small>(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)</small>	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022

IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
<small>** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.</small>	

**EXHIBIT C**  
**2023 Budget**

**PrairieStar Metropolitan District No. 3**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Revenues:				
Property taxes	24	6	7	7
Specific ownership taxes	2	2	-	-
Developer advances	<u>17,115</u>	<u>30,000</u>	<u>116,988</u>	<u>39,999</u>
Total revenues	<u>17,141</u>	<u>30,008</u>	<u>116,995</u>	<u>40,006</u>
Total funds available	<u>17,141</u>	<u>30,008</u>	<u>116,995</u>	<u>40,006</u>
Expenditures:				
Audit	-	4,200	4,200	4,200
Accounting	-	3,500	6,500	3,500
Legal	17,115	15,000	50,000	15,000
Insurance	-	3,000	3,000	3,000
Management fees	-	-	-	5,000
Treasurer fees	1	-	-	-
Transfer to District No. 1	25	-	51,384	-
Election	-	-	-	5,000
Contingency	-	4,017	-	4,015
Emergency reserve (3%)	<u>-</u>	<u>291</u>	<u>1,911</u>	<u>291</u>
Total expenditures	<u>17,141</u>	<u>30,008</u>	<u>116,995</u>	<u>40,006</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 668</u>		<u>\$ 711</u>
Mill Levy		<u>10.000</u>		<u>10.000</u>



**PrairieStar Metropolitan District No. 3**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Revenues:				
Developer advances	-	3,000,000	2,265,067	3,000,000
Bond proceeds	-	-	-	-
Transfer from other funds	-	-	-	-
Interest income	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>3,000,000</u>	<u>2,265,067</u>	<u>3,000,000</u>
Total funds available	<u>-</u>	<u>3,000,000</u>	<u>2,265,067</u>	<u>3,000,000</u>
Expenditures:				
Capital outlay	-	3,000,000	2,265,067	3,000,000
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>3,000,000</u>	<u>2,265,067</u>	<u>3,000,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PrairieStar Metropolitan District No. 3**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Revenues:				
Property taxes	-	17	-	18
Total revenues	-	17	-	18
Total funds available	-	17	-	18
Expenditures:				
Treasurer's fees	-	-	-	-
Trustee / paying agent fees	-	-	-	-
Total expenditures	-	-	-	-
Ending fund balance	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 18</u>
Assessed valuation		<u>\$ 668</u>		<u>\$ 711</u>
Mill Levy		<u>25.000</u>		<u>25.000</u>
Total Mill Levy		<u>35.000</u>		<u>35.000</u>