

SKY RANCH METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**SKY RANCH METROPOLITAN DISTRICT NO. 1
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

11/5/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	956,996	1,401,433	1,400,105	1,401,433	1,417,103
Specific ownership taxes	63,035	84,086	60,338	81,300	85,027
Other revenue	-	15,000	7,725	17,869	50,000
Interest income	174	-	392	392	-
Total revenues	<u>1,020,205</u>	<u>1,500,519</u>	<u>1,468,560</u>	<u>1,500,994</u>	<u>1,552,130</u>
Total funds available	<u>1,020,205</u>	<u>1,500,519</u>	<u>1,468,560</u>	<u>1,500,994</u>	<u>1,552,130</u>
EXPENDITURES					
General Fund	170,034	252,580	251,191	265,000	260,349
Debt Service Fund	850,171	1,247,939	1,217,369	1,235,994	1,291,781
Total expenditures	<u>1,020,205</u>	<u>1,500,519</u>	<u>1,468,560</u>	<u>1,500,994</u>	<u>1,552,130</u>
Total expenditures and transfers out requiring appropriation	<u>1,020,205</u>	<u>1,500,519</u>	<u>1,468,560</u>	<u>1,500,994</u>	<u>1,552,130</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SKY RANCH METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/5/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION					
Residential	\$ 12,873,736	\$ 17,365,368	\$ 17,365,368	\$ 17,365,368	\$ 17,583,059
Commercial	79,829	-	-	-	-
State assessed	3,540	4,050	4,050	4,050	4,540
Vacant land	849,899	29,435	29,435	29,435	140
Personal property	355,420	449,707	449,707	449,707	476,954
Certified Assessed Value	<u>\$ 14,162,424</u>	<u>\$ 17,848,560</u>	<u>\$ 17,848,560</u>	<u>\$ 17,848,560</u>	<u>\$ 18,064,693</u>
MILL LEVY					
General	11.321	13.086	13.086	13.086	13.074
Debt Service	56.605	65.432	65.432	65.432	65.372
Total mill levy	<u>67.926</u>	<u>78.518</u>	<u>78.518</u>	<u>78.518</u>	<u>78.446</u>
PROPERTY TAXES					
General	\$ 160,333	\$ 233,566	\$ 233,566	\$ 233,566	\$ 236,178
Debt Service	801,664	1,167,867	1,167,867	1,167,867	1,180,925
Levied property taxes	961,997	1,401,433	1,401,433	1,401,433	1,417,103
Adjustments to actual/rounding	(5,001)	-	(1,328)	-	-
Budgeted property taxes	<u>\$ 956,996</u>	<u>\$ 1,401,433</u>	<u>\$ 1,400,105</u>	<u>\$ 1,401,433</u>	<u>\$ 1,417,103</u>
BUDGETED PROPERTY TAXES					
General	\$ 159,499	\$ 233,566	\$ 233,345	\$ 233,566	\$ 236,178
Debt Service	797,497	1,167,867	1,166,760	1,167,867	1,180,925
	<u>\$ 956,996</u>	<u>\$ 1,401,433</u>	<u>\$ 1,400,105</u>	<u>\$ 1,401,433</u>	<u>\$ 1,417,103</u>

**SKY RANCH METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

11/5/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	159,499	233,566	233,345	233,566	236,178
Specific ownership taxes	10,506	14,014	10,056	13,500	14,171
Interest income	29	-	65	65	-
Other revenue	-	5,000	7,725	17,869	10,000
Total revenues	<u>170,034</u>	<u>252,580</u>	<u>251,191</u>	<u>265,000</u>	<u>260,349</u>
Total funds available	<u>170,034</u>	<u>252,580</u>	<u>251,191</u>	<u>265,000</u>	<u>260,349</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	2,392	3,503	3,501	3,503	3,543
Contingency	-	5,000	-	10,144	10,000
Transfers to CAB	167,642	244,077	247,690	251,353	246,806
Total expenditures	<u>170,034</u>	<u>252,580</u>	<u>251,191</u>	<u>265,000</u>	<u>260,349</u>
Total expenditures and transfers out requiring appropriation	<u>170,034</u>	<u>252,580</u>	<u>251,191</u>	<u>265,000</u>	<u>260,349</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SKY RANCH METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/5/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	797,497	1,167,867	1,166,760	1,167,867	1,180,925
Specific ownership taxes	52,529	70,072	50,282	67,800	70,856
Interest income	145	-	327	327	-
Other revenue	-	10,000	-	-	40,000
Total revenues	<u>850,171</u>	<u>1,247,939</u>	<u>1,217,369</u>	<u>1,235,994</u>	<u>1,291,781</u>
Total funds available	<u>850,171</u>	<u>1,247,939</u>	<u>1,217,369</u>	<u>1,235,994</u>	<u>1,291,781</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	11,964	17,518	17,506	17,518	17,714
Contingency	-	10,000	-	-	40,000
Transfers to CAB	838,207	1,220,421	1,199,863	1,218,476	1,234,067
Total expenditures	<u>850,171</u>	<u>1,247,939</u>	<u>1,217,369</u>	<u>1,235,994</u>	<u>1,291,781</u>
Total expenditures and transfers out requiring appropriation	<u>850,171</u>	<u>1,247,939</u>	<u>1,217,369</u>	<u>1,235,994</u>	<u>1,291,781</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SKY RANCH METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Sky Ranch Metropolitan District No. 1 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the Arapahoe County (County) District Court issued on February 23, 2005 and recorded in the County records on March 15, 2005, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within Arapahoe County, Colorado.

The District was established to provide for the design, acquisition, construction, financing, installation, and maintenance of public improvements and services, including streets, park and recreation, water, sanitary sewer, public transportation, mosquito control, traffic and safety controls, and television relay and translation. Under its Modified Service Plan, approved by the County on September 14, 2005, the District was organized in conjunction with three other related Districts: Sky Ranch Metropolitan District Nos. 3 through 5. The District entered into a Community Authority Board Establishment Agreement with District No. 5 on November 3, 2017 and an Amended and Restated Sky Ranch Community Authority Establishment agreement on September 18, 2018 (effective November 13, 2017). The District entered into Second Amended and Restated Sky Ranch Community Authority Board Establishment Agreement (the CABEA) with District Nos. 3 and 5 on August 13, 2021 which establishes the Sky Ranch Community Authority Board (the CAB). The CAB will own, operate and maintain certain public improvements within the boundaries of the Districts.

The Service Plans for District No.1 limit the amount of debt that the District may issue together with any debt issued by the CAB to \$162,000,000. On November 1, 2019, the District entered into a Capital Pledge Agreement with the CAB and committed to impose a mill levy annually that does not exceed the Service Plan limits for a debt mill levy, to repay Bonds to be issued by the CAB in a principal amount that does not exceed \$162,000,000 (the Pledged Revenue). The Pledged Revenue may be used by the CAB to repay bonds the CAB has issued or will issue, including without limitation, the CAB's \$11,435,000 Limited Tax Supported District No. 1 Senior Bonds (Tax-Exempt Fixed Rate), Series 2019A and its \$1,760,000 Limited Tax Supported District No. 1 Subordinate Bonds (Tax-Exempt Fixed Rate), Series 2019B, and future bond issuances by the CAB.

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

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.

**SKY RANCH METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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. The County Treasurer remits the taxes collected monthly to the District.

For property tax collection year 2025, SB22-238, SB23B-001, SB24-233, 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 by both the General Fund and Debt Service Fund.

Expenditures

Transfers to CAB

In connection with the CABEA, the District will transfer property taxes, net of fees, derived from the operations mill levy, together with specific ownership taxes, to the CAB to pay for operations and maintenance expenditures. The District will also transfer property taxes, net of fees, derived from the debt service mill levy, together with specific ownership taxes, to the CAB to pay for the principal and interest on bonds which CAB has issued in November 2019.

**SKY RANCH METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

County Treasurer's Fees

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

Debt and Leases

The District has no outstanding debt, nor any operating or capital leases.

Reserves

Emergency Reserve

The District did not provide for Emergency Reserves (equal to at least 3% of the General Fund's fiscal year spending as defined under TABOR) because net tax revenues will be transferred to the CAB. The CAB will provide for the emergency reserve.