

**SKY RANCH METROPOLITAN DISTRICT NO. 3**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2025**

**SKY RANCH METROPOLITAN DISTRICT NO. 3  
SUMMARY  
2025 BUDGET  
WITH 2023 ACTUAL AND 2024 ESTIMATED  
For the Years Ended and Ending December 31,**

11/6/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ (71,893)	\$ (71,893)	\$ -
REVENUES					
Property taxes	618,613	736,913	729,707	736,913	2,057,585
Specific ownership taxes	46,405	44,215	31,728	42,400	123,455
Interest income	692	-	352	351	-
Other revenue	-	25,000	4,703	4,703	60,000
Total revenues	<u>665,710</u>	<u>806,128</u>	<u>766,490</u>	<u>784,367</u>	<u>2,241,040</u>
Total funds available	<u>665,710</u>	<u>806,128</u>	<u>694,597</u>	<u>712,474</u>	<u>2,241,040</u>
EXPENDITURES					
General Fund	67,185	81,024	72,297	74,110	233,292
Debt Service Fund	335,960	390,165	338,007	346,671	1,146,534
Regional Improvements Fund	334,458	334,939	284,293	291,693	861,214
Total expenditures	<u>737,603</u>	<u>806,128</u>	<u>694,597</u>	<u>712,474</u>	<u>2,241,040</u>
Total expenditures and transfers out requiring appropriation	<u>737,603</u>	<u>806,128</u>	<u>694,597</u>	<u>712,474</u>	<u>2,241,040</u>
ENDING FUND BALANCES	<u>\$ (71,893)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SKY RANCH METROPOLITAN DISTRICT NO. 3  
PROPERTY TAX SUMMARY INFORMATION  
2025 BUDGET  
WITH 2023 ACTUAL AND 2024 ESTIMATED  
For the Years Ended and Ending December 31,**

11/6/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
<b>ASSESSED VALUATION</b>					
Residential	\$ -	\$ 1,788,340	\$ 1,788,340	\$ 1,788,340	\$ 6,199,178
Agricultural	2,771	2,508	2,508	2,508	-
Vacant land	5,791,908	3,927,325	3,927,325	3,927,325	11,024,587
Personal property	-	8,977	8,977	8,977	10,377
Certified Assessed Value	<u>\$ 5,794,679</u>	<u>\$ 5,727,150</u>	<u>\$ 5,727,150</u>	<u>\$ 5,727,150</u>	<u>\$ 17,234,142</u>
<b>MILL LEVY</b>					
General	11.132	12.523	12.523	12.523	12.223
Debt Service	55.666	62.622	62.622	62.622	61.119
Regional Improvements	55.417	53.525	53.525	53.525	46.048
Total mill levy	<u>122.215</u>	<u>128.670</u>	<u>128.670</u>	<u>128.670</u>	<u>119.390</u>
<b>PROPERTY TAXES</b>					
General	\$ 64,505	\$ 71,721	\$ 71,721	\$ 71,721	\$ 210,653
Debt Service	322,567	358,646	358,646	358,646	1,053,334
Regional Improvements	321,124	306,546	306,546	306,546	793,598
Levied property taxes	<u>708,196</u>	<u>736,913</u>	<u>736,913</u>	<u>736,913</u>	<u>2,057,585</u>
Adjustments to actual/rounding	-	-	(7,205)	-	-
Refunds and abatements	(89,583)	-	-	-	-
Budgeted property taxes	<u>\$ 618,613</u>	<u>\$ 736,913</u>	<u>\$ 729,708</u>	<u>\$ 736,913</u>	<u>\$ 2,057,585</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	\$ 56,346	\$ 71,721	\$ 71,020	\$ 71,721	\$ 210,653
Debt Service	281,763	358,646	355,139	358,646	1,053,334
Regional Improvements	280,504	306,546	303,549	306,546	793,598
	<u>\$ 618,613</u>	<u>\$ 736,913</u>	<u>\$ 729,708</u>	<u>\$ 736,913</u>	<u>\$ 2,057,585</u>

**SKY RANCH METROPOLITAN DISTRICT NO. 3  
GENERAL FUND  
2025 BUDGET  
WITH 2023 ACTUAL AND 2024 ESTIMATED  
For the Years Ended and Ending December 31,**

11/6/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ (6,548)	\$ (6,548)	\$ -
REVENUES					
Property taxes	56,346	71,721	71,020	71,721	210,653
Specific ownership taxes	4,227	4,303	3,088	4,200	12,639
Interest income	64	-	34	34	-
Other revenue	-	5,000	4,703	4,703	10,000
Total revenues	60,637	81,024	78,845	80,658	233,292
Total funds available	60,637	81,024	72,297	74,110	233,292
EXPENDITURES					
General and administrative					
County Treasurer's fee	838	1,076	1,136	1,136	3,160
Contingency	573	5,000	-	-	10,000
Transfers to CAB	65,774	74,948	71,161	72,974	220,132
Total expenditures	67,185	81,024	72,297	74,110	233,292
Total expenditures and transfers out requiring appropriation	67,185	81,024	72,297	74,110	233,292
ENDING FUND BALANCES	\$ (6,548)	\$ -	\$ -	\$ -	\$ -

**SKY RANCH METROPOLITAN DISTRICT NO. 3  
DEBT SERVICE FUND  
2025 BUDGET  
WITH 2023 ACTUAL AND 2024 ESTIMATED  
For the Years Ended and Ending December 31,**

11/6/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ (32,746)	\$ (32,746)	\$ -
REVENUES					
Property taxes	281,764	358,646	355,139	358,646	1,053,334
Specific ownership taxes	21,136	21,519	15,442	20,600	63,200
Interest income	314	-	172	171	-
Other revenue	-	10,000	-	-	30,000
Total revenues	<u>303,214</u>	<u>390,165</u>	<u>370,753</u>	<u>379,417</u>	<u>1,146,534</u>
Total funds available	<u>303,214</u>	<u>390,165</u>	<u>338,007</u>	<u>346,671</u>	<u>1,146,534</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	4,188	5,380	5,330	5,380	15,800
Contingency	2,866	10,000	-	-	30,000
Transfers to CAB	328,906	374,785	332,677	341,291	1,100,734
Total expenditures	<u>335,960</u>	<u>390,165</u>	<u>338,007</u>	<u>346,671</u>	<u>1,146,534</u>
Total expenditures and transfers out requiring appropriation	<u>335,960</u>	<u>390,165</u>	<u>338,007</u>	<u>346,671</u>	<u>1,146,534</u>
ENDING FUND BALANCES	<u>\$ (32,746)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SKY RANCH METROPOLITAN DISTRICT NO. 3  
REGIONAL IMPROVEMENTS FUND  
2025 BUDGET  
WITH 2023 ACTUAL AND 2024 ESTIMATED  
For the Years Ended and Ending December 31,**

11/6/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ (32,599)	\$ (32,599)	\$ -
REVENUES					
Property taxes	280,503	306,546	303,548	306,546	793,598
Specific ownership taxes	21,042	18,393	13,198	17,600	47,616
Interest income	314	-	146	146	-
Other revenue	-	10,000	-	-	20,000
Total revenues	<u>301,859</u>	<u>334,939</u>	<u>316,892</u>	<u>324,292</u>	<u>861,214</u>
Total funds available	<u>301,859</u>	<u>334,939</u>	<u>284,293</u>	<u>291,693</u>	<u>861,214</u>
EXPENDITURES					
General and Administrative					
County Treasurer's fee	4,169	4,598	4,555	4,598	11,904
Contingency	2,854	10,000	-	-	20,000
Transfers to CAB	327,435	320,341	279,738	287,095	829,310
Total expenditures	<u>334,458</u>	<u>334,939</u>	<u>284,293</u>	<u>291,693</u>	<u>861,214</u>
Total expenditures and transfers out requiring appropriation	<u>334,458</u>	<u>334,939</u>	<u>284,293</u>	<u>291,693</u>	<u>861,214</u>
ENDING FUND BALANCES	<u>\$ (32,599)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SKY RANCH METROPOLITAN DISTRICT NO. 3  
2025 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

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, installation, maintenance, and financing of certain water, sanitation, storm drainage, streets, safety protection, park and recreation, transportation, television relay and translation, and mosquito control improvements and services within and without the boundaries of the District. Under its Service Plan, the District was organized in conjunction with three other related Districts: Sky Ranch Metropolitan District No. 1, No. 4, and No. 5. The Amended and Restated Service Plan for Sky Ranch Metropolitan District No. 3 was approved on December 8, 2020. Sky Ranch Metropolitan District Nos. 6 – 8 are being organized to work with the existing Districts to provide public improvements, facilities and services necessary to develop and serve the Sky Ranch development. 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 Amended and Restated Service Plans for District Nos. 3 – 8 limit the aggregate amount of debt that they may issue together to \$312,000,000. Pursuant to a Capital Pledge Agreement executed by and between the CAB and the District, the District agrees to impose ad valorem property taxes and pledge certain revenues to facilitate the issuance of Limited Tax Supported District No. 3 Senior Bonds (Tax-Exempt Fixed Rate) and other Debt Obligations issued by the CAB. 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, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

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. 3  
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:

<b>Category</b>	<b>Rate</b>		<b>Category</b>	<b>Rate</b>		<b>Actual Value Reduction</b>	<b>Amount</b>
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 the General Fund, Debt Service Fund and Regional Improvements Fund.



**SKY RANCH METROPOLITAN DISTRICT NO. 3  
2025 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Transfer 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 is also authorized to impose a mill levy to generate revenue for the planning, design, acquisition, construction, installation, relocation and/or redevelopment, and the administration, overhead and operations and maintenance costs incurred with respect to the Regional Improvements. The District will transfer property taxes, net of fees, derived from the Regional Improvements Mill Levy, together with specific ownership taxes, to the CAB to contribute to the funding of the Regional Improvements.

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 August 2022.

**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.

**This information is an integral part of the accompanying forecasted budget.**