

**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,**

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ (71,893)	\$ -
REVENUES			
Property taxes	618,613	736,913	2,058,856
Specific ownership taxes	46,405	42,400	123,531
Interest income	692	351	-
Other revenue	-	4,703	60,000
Total revenues	<u>665,710</u>	<u>784,367</u>	<u>2,242,387</u>
Total funds available	<u>665,710</u>	<u>712,474</u>	<u>2,242,387</u>
EXPENDITURES			
General Fund	67,185	74,110	233,417
Debt Service Fund	335,960	346,671	1,147,216
Regional Improvements Fund	334,458	291,693	861,754
Total expenditures	<u>737,603</u>	<u>712,474</u>	<u>2,242,387</u>
Total expenditures and transfers out requiring appropriation	<u>737,603</u>	<u>712,474</u>	<u>2,242,387</u>
ENDING FUND BALANCES	<u>\$ (71,893)</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,**

1/29/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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**ASSESSED VALUATION**

Residential	\$ -	\$ 1,788,340	\$ 6,199,178
Agricultural	2,771	2,508	-
Vacant land	5,791,908	3,927,325	11,024,587
Personal property	-	8,977	21,466
Certified Assessed Value	\$ 5,794,679	\$ 5,727,150	\$ 17,245,231

**MILL LEVY**

General	11.132	12.523	12.222
Debt Service	55.666	62.622	61.117
Regional Improvements	55.417	53.525	46.048
Total mill levy	122.215	128.670	119.387

**PROPERTY TAXES**

General	\$ 64,505	\$ 71,721	\$ 210,771
Debt Service	322,567	358,646	1,053,977
Regional Improvements	321,124	306,546	794,108
Levied property taxes	708,196	736,913	2,058,856
Adjustments to actual/rounding	-	-	-
Refunds and abatements	(89,583)	-	-
Budgeted property taxes	\$ 618,613	\$ 736,913	\$ 2,058,856

**BUDGETED PROPERTY TAXES**

General	\$ 56,346	\$ 71,721	\$ 210,771
Debt Service	281,764	358,646	1,053,977
Regional Improvements	280,503	306,546	794,108
	\$ 618,613	\$ 736,913	\$ 2,058,856

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

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ (6,548)	\$ -
REVENUES			
Property taxes	56,346	71,721	210,771
Specific ownership taxes	4,227	4,200	12,646
Interest income	64	34	-
Other revenue	-	4,703	10,000
Total revenues	<u>60,637</u>	<u>80,658</u>	<u>233,417</u>
Total funds available	<u>60,637</u>	<u>74,110</u>	<u>233,417</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	838	1,136	3,162
Contingency	573	-	10,000
Transfers to CAB	65,774	72,974	220,255
Total expenditures	<u>67,185</u>	<u>74,110</u>	<u>233,417</u>
Total expenditures and transfers out requiring appropriation	<u>67,185</u>	<u>74,110</u>	<u>233,417</u>
ENDING FUND BALANCES	<u>\$ (6,548)</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**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,**

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ (32,746)	\$ -
REVENUES			
Property taxes	281,764	358,646	1,053,977
Specific ownership taxes	21,136	20,600	63,239
Interest income	314	171	-
Other revenue	-	-	30,000
Total revenues	<u>303,214</u>	<u>379,417</u>	<u>1,147,216</u>
Total funds available	<u>303,214</u>	<u>346,671</u>	<u>1,147,216</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	4,188	5,380	15,810
Contingency	2,866	-	30,000
Transfers to CAB	328,906	341,291	1,101,406
Total expenditures	<u>335,960</u>	<u>346,671</u>	<u>1,147,216</u>
Total expenditures and transfers out requiring appropriation	<u>335,960</u>	<u>346,671</u>	<u>1,147,216</u>
ENDING FUND BALANCES	<u>\$ (32,746)</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,**

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ (32,599)	\$ -
REVENUES			
Property taxes	280,503	306,546	794,108
Specific ownership taxes	21,042	17,600	47,646
Interest income	314	146	-
Other revenue	-	-	20,000
Total revenues	<u>301,859</u>	<u>324,292</u>	<u>861,754</u>
Total funds available	<u>301,859</u>	<u>291,693</u>	<u>861,754</u>
EXPENDITURES			
General and Administrative			
County Treasurer's fee	4,169	4,598	11,912
Contingency	2,854	-	20,000
Transfers to CAB	327,435	287,095	829,842
Total expenditures	<u>334,458</u>	<u>291,693</u>	<u>861,754</u>
Total expenditures and transfers out requiring appropriation	<u>334,458</u>	<u>291,693</u>	<u>861,754</u>
ENDING FUND BALANCES	<u>\$ (32,599)</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**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.**