

SKY RANCH METROPOLITAN DISTRICT NO. 5
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**SKY RANCH METROPOLITAN DISTRICT NO. 5
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/18/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	82,051	195,555	303,893
Specific ownership taxes	5,180	13,066	18,233
Other revenue	-	-	15,000
Total revenues	<u>87,231</u>	<u>208,621</u>	<u>337,126</u>
Total funds available	<u>87,231</u>	<u>208,621</u>	<u>337,126</u>
EXPENDITURES			
General Fund	46,121	114,079	184,019
Regional Improvements Fund	41,110	94,542	153,107
Total expenditures	<u>87,231</u>	<u>208,621</u>	<u>337,126</u>
Total expenditures and transfers out requiring appropriation	<u>87,231</u>	<u>208,621</u>	<u>337,126</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SKY RANCH METROPOLITAN DISTRICT NO. 5
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/18/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Oil & Gas	\$ 527,778	\$ 1,509,865	\$ 2,426,395
Agricultural	19,707	17,939	11,723
Vacant land	145	145	140
Personal property	101,838	71,210	84,052
Certified Assessed Value	\$ 649,468	\$ 1,599,159	\$ 2,522,310

MILL LEVY

General	66.796	66.869	66.957
Regional Improvements	59.540	55.417	53.525
Total mill levy	126.336	122.286	120.482

PROPERTY TAXES

General	\$ 43,382	\$ 106,934	\$ 168,886
Regional Improvements	38,669	88,621	135,007
Budgeted property taxes	\$ 82,051	\$ 195,555	\$ 303,893

BUDGETED PROPERTY TAXES

General	\$ 43,382	\$ 106,934	\$ 168,886
Regional Improvements	38,669	88,621	135,007
	\$ 82,051	\$ 195,555	\$ 303,893

**SKY RANCH METROPOLITAN DISTRICT NO. 5
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/18/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	43,382	106,934	168,886
Specific ownership taxes	2,739	7,145	10,133
Other revenue	-	-	5,000
Total revenues	<u>46,121</u>	<u>114,079</u>	<u>184,019</u>
Total funds available	<u>46,121</u>	<u>114,079</u>	<u>184,019</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	651	1,604	2,533
Contingency	-	-	5,000
Transfers to CAB	45,470	112,475	176,486
Total expenditures	<u>46,121</u>	<u>114,079</u>	<u>184,019</u>
Total expenditures and transfers out requiring appropriation	<u>46,121</u>	<u>114,079</u>	<u>184,019</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SKY RANCH METROPOLITAN DISTRICT NO. 5
REGIONAL IMPROVEMENTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/18/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	38,669	88,621	135,007
Specific ownership taxes	2,441	5,921	8,100
Other revenue	-	-	10,000
Total revenues	<u>41,110</u>	<u>94,542</u>	<u>153,107</u>
Total funds available	<u>41,110</u>	<u>94,542</u>	<u>153,107</u>
EXPENDITURES			
General and Administrative			
County Treasurer's fee	580	1,329	2,025
Contingency	-	-	10,000
Transfers to CAB	40,530	93,213	141,082
Total expenditures	<u>41,110</u>	<u>94,542</u>	<u>153,107</u>
Total expenditures and transfers out requiring appropriation	<u>41,110</u>	<u>94,542</u>	<u>153,107</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

SKY RANCH METROPOLITAN DISTRICT NO. 5
2024 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, financing, installation, and maintenance of public improvements and services, including streets, park and recreation, water, sanitary, storm drainage, transportation, mosquito control, safety protection, and television relay and translation. Under its Amended and Restated Service Plan, the District was organized in conjunction with three other related Districts: Sky Ranch Metropolitan District Nos. 1, 3 and 4. The District entered into a Community Authority Board Establishment Agreement with District No. 1 on November 13, 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. 1 and 3 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 – 5 limit the aggregate amount of debt that they may issue together with any debt issued by the CAB to \$312,000,000. In the future, the Districts 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 Districts' 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. 5
2024 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.

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.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2024, the assessment rate for single family residential property decreases to 6.765% from 6.95%. The rate for multifamily residential property, the newly created subclass, decreases to 6.765% from 6.80%. Agricultural and renewable energy production property remains at 26.4%. Producing oil and gas remains at 87.5%. All other nonresidential property decreases to 27.90% from 29%.

For property tax collection year 2024, SB22-238 and SB23B-001 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%			

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 Regional Improvements Fund.

**SKY RANCH METROPOLITAN DISTRICT NO. 5
2024 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.

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.