

<b>The Sands Metropolitan District No. 3</b>			
<b>Capital Fund Budget</b>			
<b>Year Ended 12/31/2026</b>			
<b>Modified Accrual Basis</b>			
	<b>2024</b>	<b>2025</b>	<b>2026</b>
		<b>Projected</b>	<b>Proposed</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ -
<b>REVENUES</b>			
Property Tax	143,987	139,902	150,736
Interest on Delinquent Tax	-	46	-
Specific Ownership Tax	13,518	11,877	13,566
Contingency Income	-	-	1,698
<b>Total Revenues</b>	<b>157,505</b>	<b>151,825</b>	<b>166,000</b>
<b>EXPENDITURES</b>			
County Collection Fee - 1.5% of Property Tax	2,160	2,099	2,261
Intergovernmental Expense - District 2 Debt Fund	155,345	149,726	162,041
Contingency Expense	-	-	1,698
<b>Total Expenses</b>	<b>157,505</b>	<b>151,825</b>	<b>166,000</b>
Excess of Revenues over Expenditures	-	-	-
<b>ENDING FUND BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>The Sands Metropolitan District No. 1 - 4</b>					
<b>Property Taxes</b>					
<b>2025 Valuations for 2026 Taxes</b>					
		District #	District #	District #	District #
		358	359	360	361
	Combined	District No. 1	District No. 2	District No. 3	District No. 4
Vacant Residential Land - Market Value	801,199	129,204	5,642	659,494	6,859
Percentage	29.00%	27.00%	26.94%	27.00%	27.12%
Assessed Value	216,320	34,880	1,520	178,060	1,860
Residential Land & Improvements	224,671,711	-	134,516,348	-	90,155,363
Percentage	6.25%		6.25%		6.25%
Assessed Value	14,042,030		8,408,010	-	5,634,020
Commercial	33,631,071	18,351,973	3,683	15,275,415	3,475,863
Percentage	29%	27%	27%	27%	27%
Assessed Value	10,018,890	4,955,030	1,000	4,124,370	938,490
Natural Resources					279
Percentage					29%
Assessed Value					80
State Assessed	-	-	20,210	15,830	58,940
Percentage	29%	29%	27%	27%	29%
Assessed Value	25,700	-	5,500	4,300	15,900
Total Assessed Value	24,302,940	4,989,910	8,416,030	4,306,730	6,590,350
Mill Levies		49.970	63.670	35.000	74.678
Property Tax to be paid	1,428,087	249,347	535,850	150,736	492,154
<b>Property Tax based on Mill Levy</b>					
Operations & Maintenance	224,162	34,969	107,170	-	82,023
Debt Service	838,810	-	428,679		410,131
Contractual Obligations	365,113	214,377		150,736	
Total	1,428,085	249,346	535,849	150,736	492,154
<b>Mill Levy Charged</b>					
Operations & Maintenance		7.008	12.734	-	12.446
Debt Service			50.936		62.232
Contractual Obligations		42.962		35.000	
Total		49.970	63.670	35.000	74.678

**THE SANDS METROPOLITAN DISTRICT NO. 3  
2026 BUDGET MESSAGE  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

The Sands Metropolitan District No. 3 (the “District”) is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in November 2016 in El Paso County. The District, along with Districts 1 and 2, annexed into the City of Colorado Springs, CO in 2018 and have their own Service Plan. District 4 is in El Paso County and is governed by a separate Service Plan. The District was established as part of a “Multiple District Structure” for The Sands community and is generally located as follows: (i) Districts 1, 2 and 3 are located adjacent and to the North and East of the intersection of Constitution Avenue and Marksheffel Road (“Constitution/Marksheffel Parcel”); Overall, the Districts’ proposed boundaries are estimated to include approximately 114.304 acres of land (more or less) in its initial boundaries entirely within the City of Colorado Springs, El Paso County, State of Colorado. Along with its companion Districts Nos. 1 and 2 this “Service District” was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

**GENERAL FUND**

**REVENUES & EXPENDITURES**

No revenues or expenditures are budgeted for the General Fund for 2026.

**CAPITAL FUND**

**REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill Levies are budgeted for Contractual Obligations at 35.000 mills.
2. Specific ownership taxes are budgeted at 9% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the County treasurer to all taxing entities within the county.
3. Contingency income is budgeted for possible additional specific ownership taxes.

**THE SANDS METROPOLITAN DISTRICT NO. 3  
2026 BUDGET MESSAGE  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**CAPITAL FUND – (continued)**

**EXPENDITURES**

1. County property tax collection fee is based on 1.5% of the property tax received.
2. Net tax revenues are paid as Intergovernmental Expenses to the Debt Service Fund in The Sands Metropolitan District #2.
3. Contingency expense is budgeted for possible additional intergovernmental expenses.

**DEBT AND LEASES**

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

**RESERVES**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to The Sands Metropolitan District # 2, an emergency reserve is not reflected in the District's budget.

**ADDITIONAL INFORMATION**

1. The basis of accounting for the District is the Modified Accrual Basis.

## CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of El Paso County, Colorado.

On behalf of the The Sands Metropolitan District No. 3,  
 (taxing entity)<sup>A</sup>  
 the Board of Directors  
 (governing body)<sup>B</sup>  
 of the The Sands Metropolitan District No. 3  
 (local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 4,306,730 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 4,306,730 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** 12/15/2025 for budget/fiscal year 2026.  
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>0</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<span style="border: 1px solid black; padding: 2px;"><u>0</u></span> mills	<span style="border: 1px solid black; padding: 2px;">\$ <u>0</u></span>
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
4. Contractual Obligations <sup>K</sup>	<u>35.000</u> mills	\$ <u>150,736</u>
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<span style="border: 1px solid black; padding: 2px;"><u>35.000</u></span> mills	<span style="border: 1px solid black; padding: 2px;">\$ <u>150,736</u></span>

Contact person: Seef LeRoux Daytime phone: ( ) (719) 635-0330  
 (print)  
 Signed: Seef Le Roux Title: Accountant for the District

*Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.*

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

- |    |                   |       |
|----|-------------------|-------|
| 1. | Purpose of Issue: | _____ |
|    | Series:           | _____ |
|    | Date of Issue:    | _____ |
|    | Coupon Rate:      | _____ |
|    | Maturity Date:    | _____ |
|    | Levy:             | _____ |
|    | Revenue:          | _____ |
|    |                   |       |
| 2. | Purpose of Issue: | _____ |
|    | Series:           | _____ |
|    | Date of Issue:    | _____ |
|    | Coupon Rate:      | _____ |
|    | Maturity Date:    | _____ |
|    | Levy:             | _____ |
|    | Revenue:          | _____ |

**CONTRACTS<sup>K</sup>:**

- |    |                      |  |
|----|----------------------|--|
| 3. | Purpose of Contract: | <b>Contractual Obligation to The Sands Metropolitan District No. 2</b> |
|    | Title:               | <b>Capital Pledge Agreement</b>  |
|    | Date:                | <b>September 15, 2020</b>  |
|    | Principal Amount:    | <b>\$12,315,000</b>  |
|    | Maturity Date:       | <b>December 1, 2050</b>  |
|    | Levy:                | <b>35.000</b>  |
|    | Revenue:             | <b>\$150,736</b>   |
|    |                      |  |
| 4. | Purpose of Contract: | _____  |
|    | Title:               | _____  |
|    | Date:                | _____  |
|    | Principal Amount:    | _____  |
|    | Maturity Date:       | _____  |
|    | Levy:                | _____  |
|    | Revenue:             | _____  |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**Mill Levy Public Information**  
Pursuant to § 39-1-125, C.R.S.

**Taxing Entity Information**

Taxing Entity	The Sands Metropolitan District No. 3
County	El Paso County
DOLA Local Government ID Number	66754
Subdistrict Number (if applicable)	N/A
Budget / Fiscal Year	2026

**Mill Levy Information**

1. Mill Levy Purpose	Contractual Obligation
2. Mill Levy Rate (Mills)	35.000
3. Previous Year Mill Levy Rate (Mills)	35.000
4. Previous Year Mill Levy Revenue Collected	\$139,902
5. Mill Levy Maximum Without Further Voter Approval	35.000 Contractual Obligations
6. Allowable Annual Growth in Mill Levy Revenue	Unlimited
7. Actual Growth in Mill Levy Revenue Over Prior Year	\$ 10,834
8. Is revenue from this mill levy allowed to be retained and spent as a voter-approved revenue change pursuant to section 20 (7)(b) of Article X of the State Constiution (TABOR)?	N/A
9. Is revenue from this mill levy subject to the Statutory Property Tax Limit (5.50%) § 29-1-301, C.R.S.?	N/A
10. Is revenue from this mill levy subject to the Statutory Property Tax Limit (5.25%) § 29-1-1702, C.R.S.?	N/A
11. Is revenue from this mill levy subject to any other limit on annual revenue growth enacted by the local government or another local government?	No
12. Does the mill levy need to be adjusted or does a temporary mill levy reduction need to be used in order to collect a certain amount of revenue? If "Yes", what is the amount of revenue?	No
13. Other or additional information	N/A

**Contact Information**

Contact Person	Seef Le Roux
Title	Accountant for the District
Phone	(719) 635-0330
Email	seeferoux@claconnect.com