

**THE CANYONS METROPOLITAN DISTRICT NO. 7  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized to provide financing for the design, acquisition, installation and construction of storm and sanitary sewers, water systems, streets, parks and recreation facilities, transportation systems, television relay and translator facilities, security, mosquito control and fire protection and operation and maintenance of the District. The District's service area is located in the City of Castle Pines in Douglas County, Colorado and the District operates in connection with Districts Nos. 1 - 6 and 8 - 11.

The District was formed by District Court Order on June 4, 2010, and held its organizational meeting on December 6, 2010. The relationship between District No. 5, District No. 6, and District No. 7, including the means for approving, financing, constructing and operating the public services and improvements needed to serve the property are outlined in the Master Reimbursement Agreement executed December 29, 2015 by the District and District Nos. 5 and 6.

On May 4, 2010, District voters approved authorization to increase property taxes up to \$100,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District as well as \$100,000,000, annually, as necessary to pay for the capital expenditures of the District. Debt authorization was approved in the amount of \$1,300,000,000 for the above listed facilities and \$100,000,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

On November 4, 2014, District voters approved authorization to increase property taxes up to \$226,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District as well as \$226,000,000, annually, as necessary to pay for the capital expenditures of the District. Debt authorization was approved in the amount of \$2,260,000,000 for the above listed facilities and \$226,000,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

The District 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.

**The Canyons Metropolitan District No. 7**  
**2026 Budget Property Tax Summary Information**  
**For the Years Ended and Ending December 31,**

<i>Modified Accrual Basis</i>	<b>Assessed Value 2024</b>	<b>Assessed Value 2025</b>	<b>Assessed Value 2026</b>
Property Type			
Agricultural	5,800	4,260	2,420
Commercial	484,080	378,120	
Personal			300,920
Real			-
Natural Resources	2,170	2,170	2,100
Residential	54,496,130	65,126,870	78,444,450
State Assessed	606,600		-
Personal		608,800	684,700
Real		3,700	4,200
Vacant Land	16,934,070	15,374,590	16,154,860
Certified Assessed Value	<u>72,528,850</u>	<u>81,498,510</u>	<u>95,593,650</u>
Mill Levy			
General	18.560	5.791	5.719
Debt Service	-	-	-
Total Mill Levy	<u>18.56</u>	<u>5.791</u>	<u>5.719</u>
Property Taxes Levied			
General	1,346,135	471,958	546,700
Debt Service	-	-	-
Total Taxes Levied	<u>1,346,135</u>	<u>471,958</u>	<u>546,700</u>

**The Canyons Metropolitan District No. 7**  
**2026 Budget - General Fund**  
**For the Years Ended and Ending December 31,**

<i>Modified Accrual Basis</i>	<b>2023</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>Actual 9/30/2025</b>	<b>2025 Amended Budget &amp; Estimated Actual</b>	<b>2026 Budget</b>
Beginning Fund Balances	\$ 595,601	\$ 1,120,381	\$ 1,119,370	\$ 1,119,370	\$ 1,119,370	\$ 1,214,540
<b>Revenues</b>						
Property Taxes	803,689	439,366	471,958	470,354	471,958	546,700
Specific Ownership Taxes	74,530	32,930	37,757	24,038	37,757	38,269
SB Backfill	-	39,536	-	-	-	-
Interest Income	54,396	64,202	33,581	29,955	39,940	36,436
Other Revenues	431	2,392	-	3,705	4,000	-
<b>Total Revenues</b>	<b>933,046</b>	<b>578,426</b>	<b>543,296</b>	<b>528,052</b>	<b>553,655</b>	<b>621,405</b>
<b>Total Funds Available</b>	<b>1,528,647</b>	<b>1,698,807</b>	<b>1,662,666</b>	<b>1,647,422</b>	<b>1,673,025</b>	<b>1,835,945</b>
<b>Expenditures</b>						
General and Administrative						
District Management	76,400	147,258	160,000	118,158	168,000	182,000
Accounting	68,325	14,844	18,000	9,814	13,564	15,600
Audit	5,200	5,500	7,500	6,600	7,500	7,500
Legal Services	43,885	59,134	45,000	21,488	45,000	45,000
Election	4,563	-	10,000	4,005	4,005	-
Engineering	-	-	15,000	-	15,000	15,000
Insurance	7,227	7,996	7,996	9,032	9,032	9,500
County Treasurer's Fee	12,062	7,188	7,079	7,059	7,079	8,201
Dues and Memberships	445	541	600	533	533	560
Office	-	7,767	10,000	4,893	6,250	7,500
Website	600	1,800	10,000	1,400	3,000	1,200
Reserve Study	-	-	-	-	-	-
Developer Repayment	-	284,002	-	-	-	-
Contingency	9,103	1,003	7,500	-	7,500	7,500
<b>Total Expenditures</b>	<b>227,810</b>	<b>537,033</b>	<b>298,675</b>	<b>182,982</b>	<b>286,463</b>	<b>299,561</b>
<b>Transfers Out</b>						
Transfer to Special Fund	130,456	-	-	25,000	30,000	<b>50,000</b>
Transfer to Capital Projects Fund	-	12,404	-	92,491	92,022	-
Transfer to Capital Repair Fund	50,000	30,000	50,000	-	50,000	50,000
<b>Total Transfers</b>	<b>180,456</b>	<b>42,404</b>	<b>50,000</b>	<b>117,491</b>	<b>172,022</b>	<b>100,000</b>
<b>Total Expenditures and Transfers Requiring Appropriation</b>	<b>408,266</b>	<b>579,437</b>	<b>348,675</b>	<b>300,473</b>	<b>458,485</b>	<b>399,561</b>
<b>Excess Revenues (Expenditures)</b>	<b>524,780</b>	<b>(1,011)</b>	<b>194,621</b>	<b>227,579</b>	<b>95,170</b>	<b>221,844</b>
<b>Ending Fund Balance</b>	<b>\$ 1,120,381</b>	<b>\$ 1,119,370</b>	<b>\$ 1,313,991</b>	<b>\$ 1,346,949</b>	<b>\$ 1,214,540</b>	<b>\$ 1,436,384</b>
<b>Emergency Reserve</b>	<b>\$ 28,000</b>	<b>\$ 17,400</b>	<b>\$ 16,300</b>	<b>\$ 15,900</b>	<b>\$ 16,700</b>	<b>\$ 18,700</b>
<b>Total Reserve</b>	<b>\$ 28,000</b>	<b>\$ 17,400</b>	<b>\$ 16,300</b>	<b>\$ 15,900</b>	<b>\$ 16,700</b>	<b>\$ 18,700</b>

**The Canyons Metropolitan District No. 7**  
**2026 Budget - Special Fund**  
**For the Years Ended and Ending December 31,**

<i>Modified Accrual Basis</i>	2023	2024	2025	9/30/2025	2025	2026
	Actual	Actual	Budget	Actual	Estimated Actual	Budget
Beginning Fund Balances	\$ -	\$ 7,551	\$ 224,151	\$ 321,048	\$ 321,048	\$ 522,322
<b>Revenues</b>						
Operations & Maintenance Fees	337,185	373,450	432,000	309,840	410,000	479,520
Penalties and Fees	8,985	39,815	-	9,439	9,500	-
Interest Income	762	1,646	6,725	2,614	4,500	15,670
City Reimbursement	-	568,208	-	127,711	589,695	-
<b>Total Revenues</b>	<b>346,932</b>	<b>983,119</b>	<b>438,725</b>	<b>449,604</b>	<b>1,013,695</b>	<b>495,190</b>
Transfers In	130,456	-	-	25,000	30,000	<b>50,000</b>
<b>Total Funds Available</b>	<b>477,388</b>	<b>990,670</b>	<b>662,876</b>	<b>795,652</b>	<b>1,364,743</b>	<b>1,067,512</b>
<b>Expenditures</b>						
<b>Grounds Maintenance</b>						
Landscape Contract	250,139	298,513	90,000	145,099	206,000	200,000
Landscape Projects	-	460	7,500	7,125	12,500	7,500
Repairs and Maintenance	22,115	8,371	40,000	60,595	70,000	40,000
Trails	-	1,075	10,000	5,080	10,000	15,000
Snow Removal	29,740	46,523	30,000	36,375	72,750	30,000
Sprinkler System Repair	13,387	-	7,500	3,822	7,500	20,000
Fence Maintenance	-	30,000	65,000	28,518	65,000	20,000
Retaining Walls	-	-	75,000	-	75,000	75,000
Parks - Playground Equipment	-	-	1,250	5,129	-	-
Holiday Lighting	4,500	4,500	15,000	-	15,000	10,000
Electricity	921	4,886	500	4,097	6,000	5,000
Water	147,991	257,231	40,000	236,014	280,000	80,000
Collection Expenses	-	18,063	-	5,753	7,671	8,000
Contingency	1,044	-	15,000	-	15,000	15,000
<b>Total Expenditures</b>	<b>469,837</b>	<b>669,622</b>	<b>396,750</b>	<b>537,607</b>	<b>842,421</b>	<b>525,500</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>469,837</b>	<b>669,622</b>	<b>396,750</b>	<b>537,607</b>	<b>842,421</b>	<b>525,500</b>
Excess Revenues (Expenditures)	7,551	313,497	41,975	(63,003)	201,274	19,690
<b>Ending Fund Balance</b>	<b>\$ 7,551</b>	<b>\$ 321,048</b>	<b>\$ 266,126</b>	<b>\$ 258,045</b>	<b>\$ 522,322</b>	<b>\$ 542,012</b>
Emergency Reserve	\$ 10,500	\$ 29,500	\$ 13,200	\$ 13,500	\$ 30,500	\$ 14,900
<b>Total Reserve</b>	<b>\$ 10,500</b>	<b>\$ 29,500</b>	<b>\$ 13,200</b>	<b>\$ 13,500</b>	<b>\$ 30,500</b>	<b>\$ 14,900</b>

**The Canyons Metropolitan District No. 7**  
**2026 Budget - Capital Repair Fund**  
**For the Years Ended and Ending December 31,**

<i>Modified Accrual Basis</i>	<b>2023</b>	<b>2024 Actual</b>	<b>2025</b>	<b>9/30/2025</b>	<b>2025</b>	<b>2026</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Estimated</b>	<b>Budget</b>
					<b>Actual</b>	
Beginning Fund Balances	\$ -	\$ 51,425	\$ 84,218	\$ 84,218	\$ 84,218	\$ 86,291
Revenues						
Interest Income	1,425	2,793	3,369	1,555	2,073	2,589
Other Revenues	-	-	-	-	-	-
Total Revenues	<u>1,425</u>	<u>2,793</u>	<u>3,369</u>	<u>1,555</u>	<u>2,073</u>	<u>2,589</u>
Transfers In	50,000	30,000	50,000	-	50,000	50,000
Total Funds Available	<u>51,425</u>	<u>84,218</u>	<u>137,587</u>	<u>85,773</u>	<u>136,291</u>	<u>138,880</u>
Expenditures						
Repairs and Maintenance						
Repairs and Maintenance	-	-	50,000	-	50,000	-
Contingency	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Total Expenditures Requiring Appropriation	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Excess Revenues (Expenditures)	51,425	32,793	3,369	1,555	2,073	52,589
Ending Fund Balance	<u>\$ 51,425</u>	<u>\$ 84,218</u>	<u>\$ 87,587</u>	<u>\$ 85,773</u>	<u>\$ 86,291</u>	<u>\$ 138,880</u>

**THE CANYONS METROPOLITAN DISTRICT NO. 7  
2026 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 sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**Levy Adjustment**

Pursuant to the Consolidated Service Plan, as amended, the maximum mill levy for general obligation debt and operations and maintenance is 69.000 mills. Pursuant to the Master Reimbursement Agreement, the District is currently allotted 5.000 operating mills. This limit is to be adjusted for increases or decreases in the residential assessment ratio so that the actual tax revenues derived from the mill levy, as adjusted, are neither diminished nor enhanced as a result. As a result of changes in calculating assessed valuation, the District’s levy has been adjusted to 5.719 mills.

The calculation of the taxes levied is displayed on the property tax page of the Budget.

For property tax collection year 2025, 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>
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewable Energy Land	27.00%
Commercial	27.00%		Vacant Land	27.00%
Industrial	27.00%		Personal Property	27.00%
Lodging	27.00%		State Assessed	27.00%
			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 with 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 7% of the property taxes collected.

**THE CANYONS METROPOLITAN DISTRICT NO. 7  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (continued)**

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 3%.

**Operations and Maintenance Fees**

The District will collect a fee of \$30 per month from homeowners of the District to pay for the District's costs of operations.

**Expenditures**

**County Treasurer's Fees**

County Treasurer's collection fees have been computed at 1.5% of property taxes.

**Administrative Expenditures**

Administrative expenditures have been budgeted in the District's General fund based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as accounting, legal, insurance, and other administrative expenditures.

**Operating Expenditures**

Operating Expenditures have been budgeted in the District's Special fund to include landscape maintenance, fence maintenance, and other costs associated with the upkeep of District owned improvements.

**Capital Outlay**

The District will own, operate and maintain all District eligible public improvements within its boundaries that are not dedicated to any other public entity. District Nos. 5 and 6 will finance the cost of such improvements. Beginning in 2023, Shea Homes took over constructing public infrastructure within the District.

**Debt and Leases**

As of December 31, 2025, the District has no outstanding debt, nor any operating or capital leases.

**Emergency Reserves**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

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