

**SKY RANCH METROPOLITAN DISTRICT NO. 3
("DISTRICT")**

370 Interlocken Boulevard, Suite 500
Broomfield, Colorado 80021
Tel: 303-466-8822
Fax: 303-466-9797

<https://SkyRanch.colorado.gov>

NOTICE OF REGULAR MEETING AND AGENDA

DATE: June 9, 2023
TIME: 8:30 a.m.
LOCATION: Pure Cycle Corporation
34501 E. Quincy Avenue
Building 65, Suite A
Watkins, CO 80137

AT LEAST ONE INDIVIDUAL, INCLUDING CERTAIN BOARD MEMBERS AND CONSULTANTS OF THE CAB WILL BE PHYSICALLY PRESENT AND WILL ATTEND THIS MEETING IN PERSON AT THE ABOVE-REFERENCED LOCATION. HOWEVER, CERTAIN OTHER BOARD MEMBERS AND CONSULTANTS OF THE CAB MAY ATTEND THIS MEETING VIA TELECONFERENCE, OR WEB-ENABLED VIDEO CONFERENCE. MEMBERS OF THE PUBLIC WHO WISH TO ATTEND THIS MEETING MAY CHOOSE TO ATTEND VIA TELECONFERENCE OR WEB-ENABLED VIDEO CONFERENCE USING THE INFORMATION BELOW.

ACCESS: You can attend the meeting in any of the following ways:

- 1. To attend via Microsoft Teams video-conference use the below link:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZTQ4OGEzMGItODQzYS00NjVhLWFjMzItOGUyNzI2ZDE1NmI2%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%227e78628f-89cd-4e97-af6c-60df84b55ffe%22%7d

- 2. To attend via telephone, dial **720-547-5281** and enter the following additional information:

Phone Conference ID: **833 125 016#**

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Mark Harding	President	May 2027
Kevin McNeill	Treasurer	May 2027
Scott Lehman	Secretary	May 2027
Dirk Lashnits	Assistant Secretary	May 2025
Joe Knopinski	Assistant Secretary	May 2025

I. ADMINISTRATIVE MATTERS

- A. Present Disclosures of Potential Conflicts of Interest.
- B. Confirm quorum, location of the meeting and posting of meeting notices. Approve Agenda.
- C. Discuss the results of the May 3, 2022 Regular Director Election.
- D. Confirm filing of Oaths of Office.
- E. Discuss and consider appointment of officers:

<u>Office:</u>	
President	
Treasurer	
Secretary	
Assistant Secretary	
Assistant Secretary	

- F. Consider appointing District No. 3 Board member to the Board of Directors for the Sky Ranch Community Authority Board. Consider adoption of Resolution regarding same, if necessary.

II. CONSENT AGENDA

- A. Consider approval of the Minutes from the November 11, 2022 Regular Meeting (enclosure).
- B. Ratify approval of engagement letter with Haynie & Co. for preparation of 2022 Audit (enclosure).

III. PUBLIC COMMENT

- A. Public Comment.

Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.

IV. FINANCIAL MATTERS

- A. Review and consider approval of draft 2022 Audit, authorize execution of Representations Letter, and authorize its submittal (enclosure).

V. LEGAL MATTERS

VI. OTHER BUSINESS

- A. Discuss next meeting date and confirm quorum – November 10, 2023.

VII. ADJOURNMENT

THE NEXT MEETING IS SCHEDULED FOR NOVEMBER 10, 2023

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH METROPOLITAN DISTRICT NO. 3 HELD NOVEMBER 11, 2022

A regular meeting of the Board of Directors (referred to hereafter as the “Board”) of the Sky Ranch Metropolitan District No. 3 convened on November 11, 2022, at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 65, Suite A, Watkins, CO 80137. This District Board meeting was also held virtually via Microsoft Teams and by conference call. The meeting was open to the public.

Directors in Attendance Were:

Mark Harding, President
Kevin McNeill, Treasurer
Scott Lehman, Secretary
Dirk Lashnits, Assistant Secretary
Joe Knopinski, Assistant Secretary

Also in Attendance Were:

Lisa Johnson, Shauna D’Amato, Celeste Terrell, and Cathee Sutton (for a portion of the meeting); CliftonLarsonAllen LLP (“CLA”)
Suzanne Meintzer, Esq.; McGeady Becher P.C.
Stan Fowler; Independent District Engineering Services, LLC (“IDES”) (for a portion of the meeting)
Cyrena Finnegan and Deb Saya; Pure Cycle Corporation

Members of the Public:

Katherine Funk

**ADMINISTRATIVE
MATTERS**

Ms. Johnson called the meeting to order.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Johnson noted that all Directors’ Disclosure Statements were filed. Attorney Meintzer requested members of the Board to disclose any potential conflicts of interest regarding any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. No additional conflicts were disclosed at the meeting.

Quorum, Location of Meeting, Posting of Meeting Notice and Agenda: Ms. Johnson confirmed the presence of a quorum. The Board reviewed a proposed agenda for the District’s special meeting.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the agenda, as amended.

The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the

RECORD OF PROCEEDINGS

location of the District's Board meeting.

Upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board determined that certain Board members and consultants of the District would attend this meeting in person at the above-referenced location. However, certain other Board members and consultants of the District would attend this meeting via video conference or teleconference. The Board further noted that the notice of the time, date, location, and video conference/teleconference information for the meeting was duly posted and that no objections to the means of hosting the meeting were received from taxpaying electors.

Resolution No. 2022-11-01 Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: Ms. Johnson presented the Resolution to the Board. Following review and discussion, the Board approved to meet the second Fridays of June and November, 2023, at 8:30 a.m. to be held both virtually and physically at the office of Pure Cycle Corporation, 34501 E. Quincy Avenue, Building 65, Suite A, Watkins, Colorado 80137. Upon a motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-01 Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices, as amended per discussion.

Requirements of Section 32-1-809, C.R.S. (District Transparency Notice): The Board directed the staff at CLA to prepare and post the Transparency Notice on the Special District Association website and the District's website.

Requirements of Section 32-1-306, C.R.S. (Annual Map Filing): The Board directed the staff at CLA to prepare and file the Annual Map as required.

District Insurance and Special District Association ("SDA") Membership: Following discussion, the Board directed the staff of CLA to renew the District's insurance and SDA membership for 2023.

Exclusion of Uncompensated Public Officials Form and Resolution No. 2022-11-02: Upon a motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved the Exclusion of Uncompensated Public Officials form, adopted the associated Resolution No. 2022-11-02, and authorized its submittal.

CONSENT AGENDA The Board considered the following items under the Consent Agenda:

- **Minutes from the August 12, 2022 Special Meeting**
- **2021 Annual Report**

Upon a motion duly made by Director McNeill, seconded by Director Harding and, upon vote, unanimously carried, the Board approved the Consent Agenda.

RECORD OF PROCEEDINGS

PUBLIC COMMENT There were no public comments.

FINANCIAL
MATTERS

Public Hearing on Amendment to the 2022 Budget: The public hearing was opened to consider an amendment to the 2022 Budget.

It was noted that publication of a Notice stating that the Board would consider an amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Sutton reported that an amendment to the 2022 Budget was not necessary.

Public Hearing on 2023 Budget: The public hearing was opened on the proposed 2023 Budget.

It was noted that Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Sutton presented the proposed 2023 Budget to the Board. Following review and discussion, upon a motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money, and Resolution No. 2022-11-04 to Set Mill Levies (11.132 mills in the General Fund, 55.666 mills in the Debt Service Fund, and 55.417 in the Regional Improvements Fund, for a total mill levy of 122.215 mills). Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Arapahoe County not later than December 15, 2022, and further directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2023.

Resolution No. 2022-11-05 Authorizing Imposition of the Regional Improvements Mill Levy in Accordance with the Service Plan: Attorney Meintzer presented the Resolution to the Board. Following review and discussion, upon a motion duly made by Director Lashnits, seconded by Director McNeill and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-05 Authorizing Imposition of the Regional Improvements Mill Levy in Accordance with the Service Plan.

Resolution No. 2022-11-06 Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan: Attorney Meintzer presented the Resolution to the Board. Following review and discussion, upon a motion duly made by Director Lashnits,

RECORD OF PROCEEDINGS

seconded by Director Knopinski and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-06 Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan.

DLG-70 Certification of Tax Levies: Upon a motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare the DLG-70 Certification of Tax Levies for certification to the Board of County Commissioners and other interested parties.

Appointment of Board Member to Sign the DLG-70 Certification of Tax Levies: Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board appointed Director McNeill to sign the DLG-70.

Preparation of 2024 Budget: Upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget.

Preparation of 2022 Audit: Following review and discussion, upon a motion duly made by Director McNeill, seconded by Director Lehman and, upon vote, unanimously carried, the Board authorized CLA to solicit a proposal from Haynie & Company to prepare the 2022 Audit.

CliftonLarsonAllen LLP Statement(s) of Work for 2023 Accounting and Management Services: Following review and discussion, upon a motion duly made by Director Lashnits, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the Statements of Work for 2023 accounting and management services with CLA.

LEGAL MATTERS

Resolution No. 2022-11-07 Calling May 2, 2023 Election for Directors: Attorney Meintzer presented the Resolution to the Board. Following review and discussion, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-07 Calling May 2, 2023 Election for Directors, Appointing Lisa Jacoby as the Designated Election Official (“DEO”) and Authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

OTHER BUSINESS

Quorum for June 9, 2023 Meeting: The Board confirmed a quorum for the June 9, 2023 meeting.

ADJOURNMENT

There being no further business to come before the Board at this time, following a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board adjourned the meeting at 10:00 a.m.


RECORD OF PROCEEDINGS

Respectfully submitted,

By: _____
Secretary for the Meeting



1221 W. Mineral Avenue, Suite 202
Littleton, CO 80120

 303-734-4800

 303-795-3356

 www.HaynieCPAs.com

February 28, 2023

Sky Ranch Metropolitan District No. 3
φ CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111-2811

To the Members of the Board of Directors:

We are pleased to confirm our understanding of the services we are to provide for Sky Ranch Metropolitan District No. 3 (District) for the year ended December 31, 2022. We understand the District employs CliftonLarsonAllen, LLP as its manager (“Manager”), which firm may be referenced herein as “Management”.

Audit Scope & Objectives

We will audit the financial statements of the governmental activities, each major fund, and the disclosures, which collectively comprise the basic financial statements of Sky Ranch Metropolitan District No. 3 as of and for the year ended December 31, 2022.

Management has elected to omit the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have also been engaged to report on supplementary information other than RSI that accompanies Sky Ranch Metropolitan District No.1’s financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS) and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Debt Service Fund–Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) – Budget and Actual

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

- 1) Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected
- 2) Schedules of Valuations of Property Class

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

We have identified the following significant risks of material misstatement as part of our audit planning:

- Management override of controls

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Sky Ranch Metropolitan District No. 3's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees,

February 28, 2023

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former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Engagement Administration, Fees, and Other

The audit documentation for this engagement is the property of Haynie & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of Colorado or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Haynie & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the State of Colorado or its designee. The State of Colorado or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We estimate that our fees for these services will be \$6,000. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. Accounts in excess of 30 days will accrue finance charges at 1.5% per month. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Ty Holman is the engagement partner and is responsible for supervising the engagement and signing the report. We expect to begin our audit on a mutually agreed upon date and to issue our report no later than July 31, 2023.

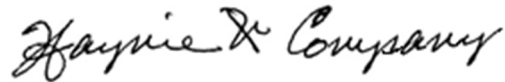
Reporting

We will issue a written report upon completion of our audit of Sky Ranch Metropolitan District's financial statements. Our report will be addressed to the Board of Directors of Sky Ranch Metropolitan District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If,

for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Accepted and agreed to:
Sky Ranch Metropolitan District No. 3

Officer signature

Title

Date

**SKY RANCH METROPOLITAN
DISTRICT NO. 3
Arapahoe County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

**SKY RANCH METROPOLITAN DISTRICT NO. 3
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YEAR ENDED DECEMBER 31, 2022**

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INSERT INDEPENDENT AUDITOR'S REPORT

BASIC FINANCIAL STATEMENTS

SKY RANCH METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Receivable - County Treasurer	\$ 6
Property Taxes Receivable	708,197
Total Assets	708,203
LIABILITIES	
Due to Sky Ranch CAB	6
Total Liabilities	6
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	708,197
Total Deferred Inflows of Resources	708,197
NET POSITION	
Total Net Position	\$ -

See accompanying Notes to Basic Financial Statements.

(1)
DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

SKY RANCH METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 742	\$ -	\$ -	\$ -	
Regional Improvements	663	-	-	(663)	
Total Governmental Activities	\$ 1,405	\$ -	\$ -	\$ -	
 GENERAL REVENUES					
				1,318	
				83	
				4	
				1,405	
 CHANGE IN NET POSITION					
				-	
				-	
				-	
				\$ -	

See accompanying Notes to Basic Financial Statements.

**SKY RANCH METROPOLITAN DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	<u>General</u>	<u>Debt Service</u>	<u>Regional Improvements</u>	<u>Total Governmental Funds</u>
ASSETS				
Receivable - County Treasurer	\$ 3	\$ -	\$ 3	\$ 6
Property Taxes Receivable	<u>64,506</u>	<u>322,567</u>	<u>321,124</u>	<u>708,197</u>
Total Assets	<u>\$ 64,509</u>	<u>\$ 322,567</u>	<u>\$ 321,127</u>	<u>\$ 708,203</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Due to Sky Ranch CAB	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 6</u>
Total Liabilities	3	-	3	6
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	<u>64,506</u>	<u>322,567</u>	<u>321,124</u>	<u>708,197</u>
Total Deferred Inflows of Resources	64,506	322,567	321,124	708,197
FUND BALANCES				
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 64,509</u>	<u>\$ 322,567</u>	<u>\$ 321,127</u>	<u>\$ 708,203</u>

Amounts reported for governmental activities in the Statement of Net Position are the same as above.

See accompanying Notes to Basic Financial Statements.

(3)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

SKY RANCH METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Regional Improvements</u>	<u>Total Governmental Funds</u>
REVENUES				
Property Taxes	\$ 696	\$ -	\$ 622	\$ 1,318
Specific Ownership Taxes	44	-	39	83
Interest Income	2	-	2	4
Total Revenues	<u>742</u>	<u>-</u>	<u>663</u>	<u>1,405</u>
EXPENDITURES				
County Treasurer's Fees	10	-	9	19
Transfer to Sky Ranch CAB	732	-	654	1,386
Total Expenditures	<u>742</u>	<u>-</u>	<u>663</u>	<u>1,405</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Amounts reported for governmental activities in the Statement of Activities are the same as above.

See accompanying Notes to Basic Financial Statements.

(4)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

**SKY RANCH METROPOLITAN DISTRICT NO. 3
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 697	\$ 696	\$ (1)
Specific Ownership Taxes	49	44	(5)
Interest Income	-	2	2
Other Revenue	100	-	(100)
Total Revenues	<u>846</u>	<u>742</u>	<u>(104)</u>
EXPENDITURES			
County Treasurer's Fees	10	10	-
Transfer to Sky Ranch CAB	736	732	4
Contingency	100	-	100
Total Expenditures	<u>846</u>	<u>742</u>	<u>104</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

(5)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

SKY RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 DEFINITION OF REPORTING ENTITY

Sky Ranch Metropolitan District No. 3 (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 sewer, public transportation, mosquito control, traffic and safety controls, and television relay and translation. Under its Modified Service Plan, approved by the County on September 14, 2005 (the Service Plan), the District was organized in conjunction with three other related Districts: Sky Ranch Metropolitan District Nos. 1, 4 and 5 (the Districts). The District entered into a Community Authority Board Establishment Agreement with District No. 5 on November 3, 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 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 that are parties to the CABEA.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

**SKY RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

**SKY RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The District reports the following major governmental funds:

The General Fund is the District's operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and transferred to the CAB for the payment of principal, interest, and other related costs on long-term debt issued by the CAB for the benefit of the District.

The Regional Improvements Fund accounts for the resources accumulated and transferred to the CAB for the payment of regional improvements acquired and constructed by the CAB for the benefit of the District.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

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, 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 or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**SKY RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the board of directors. The constraint may be removed or changed only through formal action of the board of directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the board of directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**SKY RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District had no cash deposits.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District will generally limit its concentration of investments to those which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the board of directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools

As of December 31, 2022, the District had no investments.

**SKY RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 AUTHORIZED DEBT

At an election held on November 6, 2018, the District's eligible electors authorized the District to impose ad valorem property taxes on an annual basis not to exceed \$2,268,000,000, and to enter into intergovernmental agreements to share such revenue to fund public improvements. Pursuant to this electoral authority, on November 1, 2019, the District entered into a Capital Pledge Agreement with the CAB (discussed below) and committed to impose a mill levy annually that does not exceed the Service Plan limits for a debt mill levy, to repay Bonds to be issued by the CAB in a principal amount that does not exceed \$162,000,000 (the Pledge Obligation).

At an election held on November 2020, the District's eligible electors also authorized the issuance of up to \$4,680,000,000 in General obligation debt for public improvements, however the District's Amended and Restated Service Plan debt limit of \$312,000,000 constrains the total amount of debt the District can issue.

Under the Capital Pledge Agreement with the CAB, the District agreed to pledge certain revenues to the CAB pursuant to the intergovernmental agreement provisions of Sections 29-1-203 and -203.5, C.R.S., as described in the Capital Pledge Agreement. The District does not have any remaining capacity to pledge because it has pledged to the CAB its full authorization in the form of the Pledge Obligation, which is the same amount as the Service Plan debt limitation.

The Pledge Obligation may be used by the CAB to repay bonds the CAB has issued or will issue, including without limitation, the CAB's \$23,345,000 Limited Tax Supported District No.3 Senior Bonds (Tax-Exempt Fixed Rate), Series 2022A (the CAB Series 2022A Bonds) and its \$6,367,000 Limited Tax Supported District No. 3 Subordinate Bonds (Tax-Exempt Fixed Rate), Series 2022B₍₃₎ (the CAB Series 2022B₍₃₎ Bonds, and together with the CAB Series 2022A Bonds, the CAB 2022 Bonds), and future bond issuances by the CAB.

NOTE 5 AGREEMENTS

Sky Ranch Community Authority Board Establishment Agreement (CABEA)

On November 6, 2012, the District's qualified electors voted in favor of the District entering into the CABEA pursuant to which the District and Sky Ranch Metropolitan District No. 1 established the CAB. The CABEA, effective November 13, 2017, was amended and restated on September 18, 2018, pursuant to the Amended and Restated Sky Ranch Community Authority Board Establishment Agreement. On August 13, 2021, the District entered into Second Amended and Restated Sky Ranch Community Authority Board Establishment Agreement with Sky Ranch Metropolitan District Nos. 1 and 5 (collectively, the "CAB Districts").

**SKY RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 AGREEMENTS (CONTINUED)

**Sky Ranch Community Authority Board Establishment Agreement (CABEA)
(Continued)**

Pursuant to the CABEA, the CAB will furnish, operate, and plan for the Public Improvements and each District of the CAB Districts shall transfer certain revenues received by it in order to fund the operation and maintenance costs and capital costs of the Public Improvements. Each of the CAB Districts has agreed, and their Service Plans authorize, that the CAB will own, operate, maintain, finance, and construct Public Improvements benefiting the CAB Districts, and that the Districts will contribute to the costs of construction, operation and maintenance of such Public Improvements. It is the intent of the CAB Districts that the CAB may, from time to time, issue debt and use proceeds to finance the Public Improvements and that the CAB will enter into contracts to construct the Public Improvements.

Capital Pledge Agreement

The District entered into a Capital Pledge Agreement with the CAB, dated August 1, 2022, under which the District agrees to impose ad valorem property taxes upon all taxable property of the District, and to transfer the revenues generated from such mill levy imposition, along with the specific ownership taxes attributable to such mill levy, to the CAB for payment of principal and interest on bonds the CAB has issued or will issue, including without limitation, the CAB 2022 Bonds, as well as future bond issuances by the CAB.

NOTE 6 RELATED PARTIES

The Developer of the property within the District is Pure Cycle Corporation (Pure Cycle), and the title of the property is held under PCY Holdings LLC (the Property Owner), which is a wholly owned subsidiary of Pure Cycle. The Developer has advanced funds to the CAB. Certain members of the Board of Directors of the CAB and the Districts hold direct or indirect ownership interests in Pure Cycle or the Property Owner or are otherwise associated with Pure Cycle or the Property Owner and may have conflicts of interest in dealing with the CAB and the District. As and when required by law, each affected Board member files a written disclosure of any potential conflicts of interest with the District and the Colorado Secretary of State, and they refrain from voting on affected matters unless allowed by law.

SKY RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 8 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. As of December 31, 2022, the District has not provided for an emergency reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR, because net tax revenue is transferred to the CAB, which provided for the required reserve amount.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**SKY RANCH METROPOLITAN DISTRICT NO. 3
REGIONAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 622	\$ 622	\$ -
Specific Ownership Taxes	44	39	(5)
Interest Income	-	2	2
Other Revenue	100	-	(100)
Total Revenues	<u>766</u>	<u>663</u>	<u>(103)</u>
EXPENDITURES			
County Treasurer's Fees	9	9	-
Transfer to Sky Ranch CAB	657	654	3
Contingency	100	-	100
Total Expenditures	<u>766</u>	<u>663</u>	<u>103</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

OTHER INFORMATION

SKY RANCH METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Mills Levied			Total Property Taxes		Percent Collected to Levied
		General	Regional Improvements	Debt Service	Levied	Collected	
2020	\$ 33	-	-	-	\$ -	\$ -	N/A
2021	33	-	-	-	-	-	N/A
2022	10,444	66.796	59.540	-	1,319	1,318	99.92%
Estimated for the Year Ending December 31, 2023	\$ 5,794,679	11.132	55.417	55.666	\$ 708,197		

**SKY RANCH METROPOLITAN DISTRICT NO. 3
SCHEDULE OF VALUATIONS OF PROPERTY CLASS
DECEMBER 31, 2022**

<u>Property Class</u>	<u>Total Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Agricultural	\$ 2,771	0.05%
Vacant Land	5,791,908	99.95
Total	<u>\$ 5,794,679</u>	<u>100.00%</u>