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LETTER OF BUDGET TRANSMITTAL

Date: January 28, 2022

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2022 budget and budget message for Sky Ranch Community Authority Board in Arapahoe County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 12, 2021. If there are any questions on the budget, please contact:

Lisa Johnson, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Lisa.Johnson@claconnect.com

I, Lisa Johnson, District Manager of the Sky Ranch Community Authority Board hereby certify that the attached is a true and correct copy of the 2022 budget.

By: DocuSigned by: Lisa Johnson
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Lisa Johnson, District Manager

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RESOLUTION NO. 2021-11-04

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY RESOLUTION OF THE BOARD OF DIRECTORS OF SKY COMMUNITY AUTHORITY BOARD, ARAPAHOE COUNTY, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2022

A. The Board of Directors of Sky Ranch Community Authority (the "**CAB**") has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 12, 2021, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("**TABOR**") and other laws or obligations which are applicable to or binding upon the CAB.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the CAB.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SKY RANCH COMMUNITY AUTHORITY BOARD, ARAPAHOE COUNTY, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the CAB for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the CAB to all appropriate agencies and is made a part of the public records of the CAB.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

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[SIGNATURE PAGE FOLLOWS]

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[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY]

RESOLUTION APPROVED AND ADOPTED on November 12, 2021.

SKY RANCH COMMUNITY AUTHORITY BOARD

By: DocuSigned by: Marla Harding B453909D8D64434...
President

Attest:

By: DocuSigned by: Scott Lehman D6443E14650C499...
Secretary

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EXHIBIT A

Budget

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SKY RANCH COMMUNITY AUTHORITY BOARD

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

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SKY RANCH COMMUNITY AUTHORITY BOARD
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/20/2022

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	$ 1,029,241	$ 2,062,477	$ 1,900,883
REVENUES			
Interest income	10,199	101	1,500
Design review fees	675	1,000	1,000
Public improvement fees	191,815	150,000	150,000
O&M fees	268,773	300,000	300,000
Administrative fees	19,400	17,000	20,000
Alley Assessment fees	-	-	47,254
Developer advance	5,019,820	10,330,837	9,275,000
Developer advance - Project Management	193,044	450,000	450,000
Transfer from Sky Ranch MD No. 1	272,625	403,962	914,636
Transfer from Sky Ranch MD No. 3	-	-	1,393
Transfer from Sky Ranch MD No. 5	174,041	133,737	86,564
Other revenue	16,847	2,000	5,000
Total revenues	6,167,239	11,788,637	11,252,347
TRANSFERS IN	26,550	400,000	-
Total funds available	7,223,030	14,251,114	13,153,230
EXPENDITURES			
General Fund	230,017	400,000	294,000
Operations and Maintenance Fee Fund	194,233	296,900	450,000
Alley Assessment Fee Fund	-	-	47,254
Debt Service Fund	598,308	674,631	1,066,513
Capital Projects Fund	4,111,445	10,575,700	9,725,000
Regional Improvements Fund	-	3,000	99,669
Total expenditures	5,134,003	11,950,231	11,682,436
TRANSFERS OUT	26,550	400,000	-
Total expenditures and transfers out requiring appropriation	5,160,553	12,350,231	11,682,436
ENDING FUND BALANCES	$ 2,062,477	$ 1,900,883	$ 1,470,794
EMERGENCY RESERVE	$ 12,400	$ 8,700	$ 10,500
DEBT SERVICE RESERVE	915,000	915,000	915,000
CAPITALIZED INTEREST	857,625	285,875	-
SURPLUS FUND	217,571	450,000	450,000
RESERVE FOR FUTURE DEBT SERVICE	15,503	16,932	-
TOTAL RESERVE	$ 2,018,099	$ 1,676,507	$ 1,375,500

No assurance provided. See summary of significant assumptions.

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SKY RANCH COMMUNITY AUTHORITY BOARD
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/20/2022

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	$ 384,895	$ 539,654	$ 29,498
REVENUES			
Public improvement fees	191,815	150,000	150,000
Transfer from Sky Ranch MD No. 1	45,435	67,323	152,430
Transfer from Sky Ranch MD No. 3	-	-	736
Transfer from Sky Ranch MD No. 5	174,041	72,521	45,768
Total revenues	411,326	289,844	348,934
Total funds available	796,221	829,498	378,432
EXPENDITURES			
General and administrative			
Accounting	68,926	52,500	58,000
Audit	4,900	5,150	6,000
Dues	966	1,930	2,500
Insurance	13,892	28,059	31,000
CAB management	29,792	70,000	67,500
Legal	101,650	135,000	90,000
Election expense	9,131	-	20,000
Contingency	614	107,361	19,000
Office supplies	146	-	-
Total expenditures	230,017	400,000	294,000
TRANSFERS OUT			
Transfers to other fund	26,550	400,000	-
Total expenditures and transfers out requiring appropriation	256,567	800,000	294,000
ENDING FUND BALANCE	$ 539,654	$ 29,498	$ 84,432
EMERGENCY RESERVE	$ 12,400	$ 8,700	$ 10,500
TOTAL RESERVE	$ 12,400	$ 8,700	$ 10,500

No assurance provided. See summary of significant assumptions.

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SKY RANCH COMMUNITY AUTHORITY BOARD
OPERATIONS AND MAINTENANCE FEE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/20/2022

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	$ -	$ 122,262	$ 145,362
REVENUES			
Design review fees	675	1,000	1,000
O&M fees	268,773	300,000	300,000
Administrative fees	19,400	17,000	20,000
Other revenue	1,097	2,000	5,000
Total revenues	289,945	320,000	326,000
TRANSFERS IN			
Transfers from other funds	26,550	-	-
Total funds available	316,495	442,262	471,362
EXPENDITURES			
Operations and maintenance			
Legal services	-	2,000	15,000
District management	-	-	7,000
Fee billing and collection	16,468	17,000	36,000
Status letter processing	9,629	11,500	15,000
Landscaping	37,080	100,000	125,000
Community management	6,336	8,005	24,000
Community event	-	-	12,000
Design review services	7,817	18,000	20,000
Detention ponds	-	-	3,000
Fencing	2,794	-	6,000
Parks and trails	-	-	20,000
Mailboxes	-	-	6,000
Repairs and maintenance	3,150	-	-
Operations and maintenance reserve	-	30,395	31,000
Utilities	110,959	110,000	130,000
Total expenditures	194,233	296,900	450,000
Total expenditures and transfers out requiring appropriation	194,233	296,900	450,000
ENDING FUND BALANCE	$ 122,262	$ 145,362	$ 21,362

No assurance provided. See summary of significant assumptions.

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SKY RANCH COMMUNITY AUTHORITY BOARD
ALLEY ASSESSMENT FEE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/20/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUNDS AVAILABLE	$ -	$ -	$ -
REVENUES			
Alley assessment fees	-	-	47,254
Total revenues	-	-	47,254
Total funds available	-	-	47,254
EXPENDITURES			
General and administrative			
Repairs and maintenance	-	-	2,250
Snow removal	-	-	21,000
Contingency	-	-	24,004
Total expenditures	-	-	47,254
Total expenditures and transfers out requiring appropriation	-	-	47,254
ENDING FUNDS AVAILABLE	$ -	$ -	$ -

No assurance provided. See summary of significant assumptions.

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SKY RANCH COMMUNITY AUTHORITY BOARD
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/20/2022

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	$ 2,366,734	$ 2,005,699	$ 1,667,807
REVENUES			
Interest income	10,083	100	1,500
Transfer from Sky Ranch MD No. 1	227,190	336,639	762,206
Total revenues	237,273	336,739	763,706
Total funds available	2,604,007	2,342,438	2,431,513
EXPENDITURES			
General and administrative			
Paying agent fees	7,500	7,500	7,500
Contingency	-	-	4,983
Debt Service			
Bond interest - 2019A	590,808	571,750	571,750
Bond interest - 2019B	-	95,381	332,280
Bond principal - 2019B	-	-	150,000
Total expenditures	598,308	674,631	1,066,513
Total expenditures and transfers out requiring appropriation	598,308	674,631	1,066,513
ENDING FUND BALANCE	$ 2,005,699	$ 1,667,807	$ 1,365,000
DEBT SERVICE RESERVE	$ 915,000	$ 915,000	$ 915,000
CAPITALIZED INTEREST	857,625	285,875	-
SURPLUS FUND	217,571	450,000	450,000
RESERVE FOR FUTURE DEBT SERVICE	15,503	16,932	-
TOTAL RESERVE	$ 2,005,699	$ 1,667,807	$ 1,365,000

No assurance provided. See summary of significant assumptions.

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SKY RANCH COMMUNITY AUTHORITY BOARD
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/20/2022

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	$ (1,722,388)	$ (605,138)	$ -
REVENUES			
Interest income	81	1	-
Developer advance	5,019,820	10,330,837	9,275,000
Developer advance - Project Management	193,044	450,000	450,000
Other revenue	15,750	-	-
Total revenues	5,228,695	10,780,838	9,725,000
TRANSFERS IN			
Transfers from other funds	-	400,000	-
Total funds available	3,506,307	10,575,700	9,725,000
EXPENDITURES			
General and Administrative			
CAB management	33,663	-	-
Legal	36,828	145,000	150,000
Miscellaneous/Contingency	-	-	1,650,000
Fees, permits and administration	38,280	-	45,000
Bond issue costs	2,141	-	-
Promotional activities	-	-	105,000
Capital Projects			
Repay Developer advance	-	400,000	-
Engineering and management	822,864	-	200,000
Landscaping	1,735,531	500,000	200,000
Streets - grading/erosion control	45,996	-	25,000
Survey	73,265	-	-
Geotech	74,028	-	-
Dry utilities	2,738	-	-
Warranty and turnover	-	350,000	150,000
Project management fee	193,044	450,000	450,000
Streets	796,984	5,000,000	5,000,000
Utility construction	-	-	1,750,000
Storm sewer	228,909	1,958,900	-
Sanitary sewer	14,681	1,000,000	-
Water	12,493	771,800	-
Total expenditures	4,111,445	10,575,700	9,725,000
Total expenditures and transfers out requiring appropriation	4,111,445	10,575,700	9,725,000
ENDING FUND BALANCE	$ (605,138)	$ -	$ -

No assurance provided. See summary of significant assumptions.

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SKY RANCH COMMUNITY AUTHORITY BOARD
REGIONAL IMPROVEMENTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/20/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUNDS AVAILABLE	$ -	$ -	$ 58,216
REVENUES			
Transfer from Sky Ranch MD No. 3	-	-	657
Transfer from Sky Ranch MD No. 5	-	61,216	40,796
Total revenues	-	61,216	41,453
Total funds available	-	61,216	99,669
EXPENDITURES			
General and administrative			
Legal	-	3,000	5,000
Contingency	-	-	94,669
Total expenditures	-	3,000	99,669
Total expenditures and transfers out requiring appropriation	-	3,000	99,669
ENDING FUNDS AVAILABLE	$ -	$ 58,216	$ -

No assurance provided. See summary of significant assumptions.

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SKY RANCH COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Sky Ranch Community Authority Board (the CAB) is a political subdivision and public corporation of the State of Colorado, formed pursuant to the Second Amended and Restated Sky Ranch Community Authority Board Establishment Agreement, dated August 13, 2021, (as restated and amended, the CABEA), as may be further amended from time to time, between Sky Ranch Metropolitan District No. 1 (District No. 1), Sky Ranch Metropolitan District No. 3 (District No. 3) and Sky Ranch Metropolitan District No. 5 (District No. 5, and together with District No. 1 and District No. 3, the CAB Districts), under authority granted by Sections 18(2)(a) and (b) of Article XIV of the Colorado Constitution and Sections 29-1-203 and 29-1-203.5 of the Colorado Revised Statutes, as amended.

The CAB Districts and Sky Ranch Metropolitan District No. 4 (District No. 4) exist for the purpose of financing, constructing, installing, acquiring and operating and maintaining certain public improvements as described in the their respective Service Plans (collectively, the Public Improvements) to serve and benefit a planned, mixed-use development consisting of residential, commercial, and retail properties within the boundaries of the project area known as Sky Ranch (the Development or the Service Area). The CAB Districts and District No. 4 are collectively referred to as the Districts.

The Districts' respective Service Plans contemplated that the Districts, with the approval of their electors, would enter into one or more intergovernmental agreements to coordinate the financing, installation, construction and operations and maintenance of Public Improvements that benefit the users of, and residents within, the Service Area, and the CAB Districts entered into the CABEA and formed the CAB for those purposes. District No. 4 is currently in inactive status, but the boards of District No. 4 may decide to become parties to the CABEA in the future, at which time it would also become CAB Districts.

Under the CABEA, each CAB District shall transfer certain revenues received by it to fund the operation and maintenance costs and capital costs of the Public Improvements. Each CAB District has agreed, and the CABEA provides, that the CAB will own, operate maintain, finance and construct Public Improvements benefiting the CAB Districts, and that the CAB 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.

The CAB prepares its budget on the modified accrual basis of accounting in accordance with the requirements of 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.

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SKY RANCH COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues

Transfers from Metro Districts Nos. 1, 3 and 5

Pursuant to a Capital Pledge Agreement, dated November 1, 2019, District No. 1 agrees to impose ad valorem property taxes upon all taxable property of District No. 1, and to transfer the revenues generated from such mill levy imposition, along with revenues generated from the imposition of specific ownership taxes, to the CAB for payment of principal and interest on bonds the CAB has issued or will issue, including without limitation, the CAB's Series 2019 Bonds (see Debt and Leases), as well as future bond issuances by the CAB.

Pursuant to the CABEA, District Nos. 1, 3 and 5 will impose an operations mill levy and will transfer tax revenues, net of collection fees, to the CAB to fund the operations and maintenance costs.

District Nos. 3 and 5 are 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. District Nos. 3 and 5 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.

O&M Fees and Administrative Fees

On March 8, 2019, the CAB's Board of Directors adopted Resolution No. 2019-03-01, Resolution of the Board of Directors of Sky Ranch Community Authority Board Regarding the Imposition of Operations and Maintenance Fees (the Original O&M Fee Resolution), which imposed certain operations and maintenance fees on real property within the boundaries of District No. 1, effective April 1, 2019. On November 8, 2019, the CAB's Board of Directors adopted Resolution No. 2019-11-03, Amended and Restated Resolution of the Board of Directors of Sky Ranch Community Authority Board Regarding the Imposition of Operations and Maintenance Fees (the Amended and Restated Resolution), which amended and restated the Original O&M Fee Resolution in its entirety. On February 12, 2021, the CAB's Board of Directors adopted Resolution No. 2021-02-01, Second Amended and Restated Resolution of the Board of Directors of Sky Ranch Community Authority Board Regarding the Imposition of Operations and Maintenance Fees, which amended and restated the Amended and Restated Resolution in its entirety subject to additional lots developed wince the adoption of the Original O&M Fee Resolution.

Pursuant to the O&M Fee Resolution, the CAB imposes certain operations and maintenance fees (O&M Fees) on real property within the boundaries of District No. 1 as follows: (1) for platted lots, there are no O&M Fees imposed on homebuilders; (2) upon transfer of a finished lot to a homebuilder, (i) for the time period between April 1, 2019 and December 31, 2019, the CAB imposed O&M Fees upon homebuilders at the rate of $25 per month, or $75 per quarter, billed quarterly, and (ii) commencing January 1, 2020, the CAB imposes O&M Fees upon homebuilders at the rate of $50 per month, or $150 per quarter, billed quarterly; (3) upon transfer of a residential unit from a homebuilder to an owner, or from one owner to another owner, the CAB imposes O&M Fees upon the owners at the rate of $50 per month, or $150 per quarter, billed quarterly. Under the O&M Fee Resolution, the CAB also imposes an Administrative Fee of $100 per conveyance or refinance.

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Revenues (continued)

Alley Assessment Fees

The CAB anticipated to impose Alley Assessment Fee of $30 per month per lot in 2022 upon the owners whose property has alleyway access which may incur additional operational and maintenance.

Public Improvement Fees

Pursuant to the PIF Covenant, the CAB imposes a Retail Public Improvement Fee (Retail PIF) and a one-time Material Sales and Use Public Improvement Fee (Material Sales and Use PIF). The Retail PIF is applied to the sale of goods at a rate of 2.75%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the Districts and remitted to the Districts within 20 days after month end. The Material Sales and Use PIF is imposed on construction activities for the materials incorporated into the construction of any newly constructed building, dwelling or structure within property. The Material Sales and Use PIF is payable by homebuilders and is equal to 2.75% of an amount equal to 50% of the Construction Valuation Amount.

Interest Income

Interest earned on the CAB's available funds has been estimated based on an average interest rate of approximately 0.1%.

Developer Advances

The CAB is in the development stage. As such, the CAB's capital projects will be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the CAB is financially able to reimburse the Developer from bond proceeds (if applicable) and other legally available revenues.

Developer Advances – Project Management

In 2017, and as amended and restated in 2020, the CAB and Developer entered into two service agreements for project management services, under which the Developer provides project management services for the CAB's construction of on and offsite CAB eligible improvements. The cost of the project management services are five percent (5%) of the actual construction costs of public improvements that are eligible for reimbursement by the CAB. In the event the CAB does not have sufficient revenue to pay invoices when due, the amounts owed by the CAB to the Developer under the project management services agreements accrue as developer advances.

Expenditures

General, Administrative, Operations and Maintenance

The CAB's 2022 budget includes fees for outsourced services (legal, accounting, management, others), insurance, dues, and other administrative expenditures. The budgets for Operations and Maintenance Fees Fund and Alley Assessment Fee Fund also include budgeted expenditures for the operations and maintenance of the grounds within the Districts (e.g. utilities, covenant control, snow removal, landscaping, etc.).

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Expenditures (continued)

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2019A Bonds. Debt service schedule is not provided for the Series 2019B Bonds because its repayment schedule is based on available cash flow.

Capital Outlay

The CAB anticipates infrastructure improvements during 2022 as displayed on Capital Projects Fund page of the budget.

Regional Improvements

The CAB anticipates no activity related to Regional Improvements in 2022.

Debt and Leases

Series 2019 Bonds

On November 19, 2019, the CAB issued $11,435,000 in Limited Tax Supported District No. 1 Senior Bonds, Series 2019A (Senior Bonds) and $1,760,000 in Limited Tax Supported District No. 1 Subordinate Bonds, Series 2019B (Subordinate Bonds) (collectively, Series 2019 Bonds), for the purposes of (i) finance public improvements related to the Development, (ii) pay capitalized interest on the 2019A Senior Bonds, (iii) fund a deposit to the Senior Bonds Reserve Fund, and (iv) pay other costs in connection with the issuance of the 2019 Bonds.

The Senior Bonds are term bonds which bear interest at 5.00%, payable semi-annually on June 1 and December 1, beginning on June 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2023. The Senior Bonds mature on December 1, 2049 and are subject to optional redemption as described in the Senior Indenture.

The Senior Bonds are secured by and payable solely from Senior Pledged Revenues, which includes property taxes generated by the imposition of the District No. 1 Senior Required Mill Levy (in accordance with the Pledge Agreement) net of the cost of collection, all other Required Mill Levy Revenue (pursuant to the Pledge Agreement), Specific Ownership Taxes attributable to the District No. 1 Senior Required Mill Levy, and any other legally available amounts that the CAB may designate by resolution of the Board to be deposited with the Trustee for deposit into the Senior Revenue Fund. The Senior Bonds are also secured by amounts held in the Senior Reserve Fund, in the amount of the Required Reserve equal to $915,000, and amounts accumulated in the Surplus Fund, if any.

The Subordinate Bonds bear interest at 7.625% per annum and are payable annually from available Subordinate Pledged Revenue on December 15, beginning on December 15, 2020. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. The Subordinate Bonds are subject to optional and mandatory redemption prior to maturity as described in the Subordinate Indenture.

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Debt and Leases (continued)

The Subordinate Bonds are secured by and payable from Subordinate Pledged Revenues derived by the CAB from the following sources, net of any cost of collection: a) the District No. 1 Subordinate Required Mill Levy Revenues; b) Specific Ownership Tax Revenues, attributable to the Subordinate Required Mill Levy; and c) any other legally available moneys which the CAB determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue. The Subordinate Bonds are structured as cash flow bonds, meaning that no regularly scheduled principal payments are due prior to maturity date and interest payments not paid when due will accrue and compound until Subordinate Pledged Revenues are available.

The following is an analysis of anticipated changes in the CAB's long-term obligations, subordinate to the Senior Bonds, for the years ending December 31, 2021 and 2022.

	Balance at December 31, 2020	Additions	Reductions	Anticipated Balance at December 31, 2021
Limited Tax Supported Revenue Bonds - Subordinate - Series 2019B	$ 1,760,000	$ -	$ -	$ 1,760,000
Accrued Interest on Subordinate - Series 2019B	141,361	144,598	95,381	190,578
Developer Advances	18,915,945	10,330,837	-	29,246,782
Accrued Interest on Developer Advances	1,115,138	1,286,468	400,000	2,001,606
Developer Advances - Project Management	1,369,322	450,000	-	1,819,322
Accrued Interest on Developer Advances - Project Management	136,087	95,760	-	231,847
Total	$ 23,437,853	$ 12,307,663	$ 495,381	$ 35,250,135

	Anticipated Balance at December 31, 2021	Additions	Reductions	Anticipated Balance at December 31, 2022
Limited Tax Supported Revenue Bonds - Subordinate - Series 2019B	$ 1,760,000	$ -	$ 150,000	$ 1,610,000
Accrued Interest on Subordinate - Series 2019B	190,578	147,158	332,280	5,456
Developer Advances	29,246,782	9,275,000	-	38,521,782
Accrued Interest on Developer Advances	2,001,606	2,035,169	-	4,036,775
Developer Advances - Project Management	1,819,322	450,000	-	2,269,322
Accrued Interest on Developer Advances - Project Management	231,847	122,803	-	354,650
Total	$ 35,250,135	$ 12,030,130	$ 482,280	$ 46,797,985

The CAB currently has no operating or capital leases.

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Reserve Funds

Emergency Reserve

The CAB has provided for an emergency reserve in 2022 equal to at least 3% of fiscal year spending, excluding advances and debt issuances, as defined under TABOR.

Debt Service Reserve Fund

The CAB is required to maintain a debt service reserve in accordance with the 2019 bonds issuance. This reserve has been established.

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

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SKY RANCH COMMUNITY AUTHORITY BOARD
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Bonds and Interest Maturing in the Year Ending December 31,	$11,435,000 Limited Tax Supported District No. 1 Senior Bonds Dated November 19, 2019 Series 2019A Interest Rate of 5.00% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2022	$ -	$ 571,750	$ 571,750
2023	55,000	571,750	626,750
2024	150,000	569,000	719,000
2025	160,000	561,500	721,500
2026	180,000	553,500	733,500
2027	190,000	544,500	734,500
2028	215,000	535,000	750,000
2029	225,000	524,250	749,250
2030	250,000	513,000	763,000
2031	265,000	500,500	765,500
2032	290,000	487,250	777,250
2033	305,000	472,750	777,750
2034	335,000	457,500	792,500
2035	355,000	440,750	795,750
2036	390,000	423,000	813,000
2037	405,000	403,500	808,500
2038	445,000	383,250	828,250
2039	465,000	361,000	826,000
2040	505,000	337,750	842,750
2041	530,000	312,500	842,500
2042	575,000	286,000	861,000
2043	605,000	257,250	862,250
2044	650,000	227,000	877,000
2045	685,000	194,500	879,500
2046	735,000	160,250	895,250
2047	770,000	123,500	893,500
2048	830,000	85,000	915,000
2049	870,000	43,500	913,500
	$ 11,435,000	$ 10,901,000	$ 22,336,000

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I, Scott Lehman, hereby certify that I am the duly appointed Secretary of the Sky Ranch Community Authority Board, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Sky Ranch Community Authority Board held on November 12, 2022.

DocuSigned by:
Scott Lehman
D6443E14650C499...

Secretary

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SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said Counties of Arapahoe, Adams and Denver for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.
That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of 1 consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated September 30 A.D. 2021 and that the last publication of said notice was in the issue of said newspaper dated September 30 A.D. 2021.

I witness whereof I have hereunto set my hand this 26th day of January A.D. 2022.

Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 26th day of January A.D. 2022.

Notary Public

Isabella Perry
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20194037562
MY COMMISSION EXPIRES 10/1/2023

NOTICE AS TO PROPOSED 2022 BUDGET AND AMENDMENT OF 2021 BUDGET SKY RANCH COMMUNITY AUTHORITY BOARD ARAPAHOE COUNTY, COLORADO

NOTICE IS HEREBY GIVEN, pursuant to Sections 29-1-108 and 109, C.R.S., that a proposed budget has been submitted to the Board of Directors of the Sky Ranch Community Authority Board (the "CAB") for the ensuing year of 2022. The necessity may also arise for the amendment of the 2021 budget of the CAB. Copies of the proposed 2022 budget and 2021 amended budget (if appropriate) are on file in the office of the District's Accountant, CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, where same are available for public inspection. Such proposed 2022 budget and 2021 amended budget will be considered at a special meeting to be held on a First Reading at 8:30 a.m. on Friday, October 8, 2021 at the offices of Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 34, Watkins, CO 80137 and at a special meeting of the CAB for a Second and Final Reading and public hearing at 8:30 a.m. on November 12, 2021 at the offices of Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 34, Watkins, CO 80137. Any interested elector within the CAB may, at any time prior to the final adoption of the 2022 budget or the 2021 amended budget, inspect the 2022 budget and the 2021 amended budget and file or register any objections thereto.

Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this CAB Board meeting will be accessible to the public by video conference or by conference call.

You can attend the meetings in any of the following ways:
• To attend via video conference, the links to the video conferences may be obtained from the Agendas posted on the website: skyranch.colorado.gov
• To attend via telephone conference, the call-in information to each of the meetings may be obtained from the Agendas posted on the website: skyranch.colorado.gov

You may also email Cindy Jenkins at cindy.jenkins@claconnect.com to obtain the link and call-in information.

SKY RANCH COMMUNITY
AUTHORITY BOARD
/s/ Lisa Johnson
CAB Manager

Publication: September 30, 2021
Sentinel

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