



**SKY RANCH COMMUNITY AUTHORITY BOARD
("CAB")**

370 Interlocken Boulevard, Suite 500
Broomfield, Colorado 80021
Tel: 303-466-8822
Fax: 303-466-9797
<https://SkyRanch.colorado.gov>

NOTICE OF SPECIAL MEETING AND AGENDA

DATE: June 13, 2022
TIME: 8:30 a.m.
LOCATION: Pure Cycle Corporation
34501 E. Quincy Avenue
Building 65, Suite A
Watkins, CO 80137

CERTAIN BOARD MEMBERS AND CONSULTANTS OF THE CAB MAY 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_ZTk1MTExMjMtYzFjMy00YTU0LTliMjQtYmU4ZWYzNWQ1ZjMx%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: **459 099 650#**



<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Mark Harding	President (representing MD 5)	May, 2023
Joe Knopinski	Vice President (representing MD 5)	May, 2025
Kevin McNeill	Treasurer (representing MD 5)	May, 2023
Scott Lehman	Secretary (representing MD 1)	May, 2023
Dirk Lashnits	Assistant Secretary (representing MD 3)	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. Acknowledge appointment of Members from Sky Ranch Metropolitan District Nos. 1, 3, and 5 to the CAB Board of Directors.
- D. Consider appointment of Officers.

President:

Secretary: _____

Treasurer _____

Assistant Secretary: _____

Assistant Secretary: _____

II. CONSENT AGENDA

- A. Approve Minutes from the April 22, 2022 Special Meeting and the Minutes from the May 13, 2022 Regular Meeting (enclosures).

III. PUBLIC COMMENT

- A. Public Comment.

(Members of the public may express their views to the Board on matters that affect the



CAB that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.)

IV. SKY RANCH CITIZENS ADVISORY COMMITTEE (“CAC”) MATTERS

- A. Discuss recommendation from CAC regarding term limits in CAC Bylaws.
- B. CAC presentation to the CAB Board regarding CAC recommendations.
- C. Discuss and consider recommendations from the CAC related to revisions to bylaws related to terms of committee members.

V. FINANCIAL MATTERS

- A. Review and accept the unaudited financial statements and schedule of cash position through March 31, 2022, updated as of May 13, 2022, and accounts receivable summaries, tax schedules, and developer advance schedule (enclosure).
- B. Consider approval of payables through June 6, 2022 in the amount of \$1,601,395.51 (enclosure).
- C. Review and consider approval of the draft 2021 Audit and authorize execution of Representations Letter (enclosure).
- D. Update from Bond Committee on 2022 Bond Issuance.
- E. Other.

VI. CONSTRUCTION MATTERS

- A. Project Manager’s Report (enclosure).
- B. Consider approval of Task Order No. 8 to the Master Services Agreement (“MSA”) with KT Engineering, LLC for dry utility staking and miscellaneous staking in the amount of \$8,275.00.
- C. Engineer’s Report (enclosure).
- D. Discuss revising warranty period requirement for Filing 4 Landscape project from 2-year duration to 1-year period from District acceptance.
- E. Review bid summary related to Filing 4 Landscape Project and consider award of contract.



- F. Review and consider acceptance of Cost Certification Report No. 4 – Filing Nos. 1-3 in the amount of \$46,717.11 (enclosure).
- G. Review and consider acceptance of Cost Certification Report No. 3 – Filing Nos. 4-7 in the amount of \$158,167.27 (enclosure).
- H. Phase I (Filing Nos. 1, 2 and 3) Construction Matters:
1. **Drainage and Utilities:** None.
 2. **Roadway Improvements:** None.
 3. **Grading/Earthwork:** None.
 4. **Landscape Improvements:**
 - Phase 1* None.
 - Phase 2* None.
 - Phase 3* None.
- I. Phase II (Filing No. 4) Construction Matters:
1. **Grading/Earthwork:** None.
 2. **Drainage and Utilities:** Consider approval of Change Order No. 11 to the Construction Contract with Nelson Pipeline Constructors, LLC for storm infrastructure in the amount of \$31,043.61.

Consider approval of Change Order No. 12 to the Construction Contract with Nelson Pipeline Constructors, LLC for costs associated with installation of additional Aurora Bedding in water and sanitary trenches in the amount of \$52,783.44.

Consider approval of Pay Application No. 13 to the Construction Contract with Nelson Pipeline Constructors, LLC in the amount of



\$521,361.86.

3. Erosion Control None.

4. Roadway Improvements:

Paving/Asphalt

Consider approval of Pay Application No. 6 to the Construction Contract with Martin Marietta Materials, Inc. in the amount of \$51,026.06.

Concrete/Striping/Signage

Consider approval of Pay Application No. 6 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. ("PEI") in the amount of \$76,981.00.

VII. LEGAL MATTERS

- A. Executive Session (if necessary).
- B. Other.

VIII. COMMUNITY MANAGEMENT / COVENANT CONTROL / OPERATIONS

- A. Community Manager's Update (enclosure).

IX. OTHER BUSINESS

- A. Confirm quorum for July 8, 2022 Board meeting.

X. ADJOURNMENT

Informational Enclosure:

Monthly summary of website usage (enclosure).

THE NEXT MEETING IS SCHEDULED FOR JULY 8, 2022



RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD APRIL 22, 2022

A special meeting of the Board of Directors (referred to hereafter as the “Board”) of the CAB convened on Friday, the 22nd day of April 2022, at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 65, Suite A, Watkins, CO 80137. This CAB 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

Absent and excused was Director Joe Knopinski.

Also in Attendance Were:

Lisa Johnson and Cathee Sutton (for a portion of the meeting); CliftonLarsonAllen LLP (“CLA”)
Suzanne Meintzer, Esq.; McGeady Becher P.C.
Cyrena Finnegan; Pure Cycle Corporation

**ADMINISTRATIVE
MATTERS**

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 CAB’s special meeting.

Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried the Board approved the agenda, and excused the absence of Director Knopinski.



RECORD OF PROCEEDINGS

The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the CAB's Board meeting.

Upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board determined that certain Board members and consultants of the CAB would attend this meeting in person at the above-referenced location. However, certain other Board members and consultants of the CAB 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.

PUBLIC COMMENT There were no public comments.

LEGAL AND FINANCIAL MATTERS

Notice of Termination with Hilltop Securities, Inc. for Investment Banking or Underwriting Services for Series 2021 Bond Issuance: Attorney Meintzer presented the termination notice to the Board. Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the Termination Notice with Hilltop Securities, Inc. for investment banking or underwriting services for Series 2021 Bond issuance.

Matters Related to a Potential 2022 Bond Issuance:

- **Appointment of Bond Committee:** Attorney Meintzer discussed the appointment of a Bond Committee with the Board and recommended that the Board appoint a committee of two Board members to serve on the Bond Committee. Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board appointed Directors Harding and Knopinski to the Bond Committee.
- **Authorize the Issuance of Request for Proposals for Investment Banking or Underwriting Services:** Attorney Meintzer discussed the Request for Proposals for investment banking or underwriting services with the Board. Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board authorized the Bond Committee to work with Legal Counsel to draft the Request for Proposals for investment banking or underwriting services.
- **Authorize Engagement of Greenburg Traurig, LLP as Bond Counsel:** Following discussion, upon a motion duly made by Director Harding, seconded by



RECORD OF PROCEEDINGS

Director Lashnits and, upon vote, unanimously carried, the Board authorized the engagement of Greenburg Traurig, LLP as Bond Counsel.

- **Authorize Engagement of Sherman & Howard LLC as Disclosure Counsel:** Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board authorized the engagement of Sherman & Howard LLC as Disclosure Counsel.
- **Authorize Engagement of a Municipal Advisor or External Financial Advisor:** Attorney Meintzer discussed the engagement of a Municipal Advisor or external Financial Advisor with the Board. Proposals will be solicited and presented to the Bond Committee for review and approval. Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board authorized the Bond Committee to work with Legal Counsel to draft the Request for Proposals (RFP) for a Municipal Advisor or external Financial Advisor and to review and approve responses to the RFP.
- **Authorize Engagement of Zonda Enterprise for a Market Study and King & Associates, Inc. for Appreciation Analysis:** Attorney Meintzer discussed the engagement of consultants for a market study and appreciation analysis with the Board. Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board authorized the engagement of Zonda Enterprise for a market study, and King & Associates, Inc. for an appreciation analysis.
- **Public Comments or Questions:** There were no public comments or questions.

Executive Session: The Board determined that an Executive Session was not necessary.

OTHER BUSINESS **Quorum for May 13, 2022 Board Meeting:** The Board confirmed a quorum for the May 13, 2022 Board meeting.

ADJOURNMENT There being no further business to come before the Board at this time, following a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board adjourned the meeting at 9:05 a.m.

Respectfully submitted,



RECORD OF PROCEEDINGS

By: _____
Secretary for the Meeting



RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD MAY 13, 2022

A regular meeting of the Board of Directors (referred to hereafter as the “Board”) of the CAB convened on Friday, the 13th day of May 2022, at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 65, Suite A, Watkins, CO 80137. This CAB Board meeting was also held virtually via Microsoft Teams and by conference call. The meeting was open to the public.

Directors in Attendance Were:

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

Absent and excused was Director Mark Harding, President.

Also in Attendance Were:

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

Members of the Public:

Jennifer

**ADMINISTRATIVE
MATTERS**

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 CAB’s regular meeting.



RECORD OF PROCEEDINGS

Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the agenda, and excused the absence of Director Harding.

The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the CAB's Board meeting.

Upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board determined that certain Board members and consultants of the CAB would attend this meeting in person at the above-referenced location. However, certain other Board members and consultants of the CAB 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. 2022-05-01 Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule: Attorney Meintzer presented the Resolution to the Board. Following review and discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-05-01; Resolution Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule.

CONSENT AGENDA

The Board considered the following items under the Consent Agenda:

- **Minutes from the April 8, 2022 Regular Meeting**

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

PUBLIC COMMENT

There were no public comments.

CITIZENS ADVISORY COMMITTEE ("CAC") MATTERS

CAC Term Limits in CAC Bylaws: Attorney Meintzer and Ms. Johnson reported that there is a slight discrepancy in the language in the Bylaws regarding CAC terms of appointment, and the CAB Board has the discretion to amend the Bylaws at any time or defer to the CAC for recommendations regarding the same. Ms. Johnson asked the CAC to provide recommendations. She also reported that she will be attending the CAC



RECORD OF PROCEEDINGS

meeting in May to discuss this matter with the Committee in more detail and will report back to the Board with any recommendations.

CAC Presentation to the CAB Board Regarding CAC Recommendations: No recommendations were presented.

Recommendations from the CAC: None.

FINANCIAL MATTERS

Schedule of Cash Position through December 31, 2021, Updated as of May 3, 2022, and Accounts Receivable Summaries, Tax Schedules, and Developer Advance Schedule: Following a presentation by Ms. Sutton, upon a motion duly made by Director Lashmits, seconded by Director Lehman and, upon vote, unanimously carried, the Board accepted the schedule of cash position through December 31, 2021, updated as of May 3, 2022, and accounts receivable summaries, tax schedules and developer advance schedule.

Payables through May 9, 2022: The Board reviewed the payables through May 9, 2022. Following review, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the payables through May 9, 2022, in the amount of \$344,647.51.

Interest Payment to Pure Cycle Corporation under the Facilities Funding and Acquisition Agreement and the Phase 2 Facilities Funding and Acquisition Agreement by and between the CAB and Pure Cycle Corporation: The Board discussed the current cash position in all funds. Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashmits and, upon vote, the Board approved an interest payment to Pure Cycle Corporation subject to confirmation of a cash flow analysis through year end in the General Fund and review of the use of the Regional Improvement Fund balance as it relates to the interest payment.

Update from Bond Committee:

1. **Engagement of D.A. Davidson & Co. as Underwriter:** Director Knopinski presented an update to the Board. The Committee reviewed three proposals for underwriting services and discussed the information contained within, and determined to engage D.A. Davidson & Co. for underwriting services. Following discussion, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the engagement of D.A. Davidson & Co. for underwriting services. Director Knopinski noted that the bond closing is anticipated for August.



RECORD OF PROCEEDINGS

CONSTRUCTION MATTERS

Project Manager's Report: Director Lashnits reviewed the Project Manager's Report with the Board and provided updates.

Engineers Report: Mr. Fowler presented the Engineer's Report to the Board.

Task Order No. 12 to the Master Services Agreement ("MSA") with Westwood Professional Services, Inc. for Neighborhood D Topography in the Amount of \$8,000: Director Lashnits presented the Task Order to the Board. Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Task Order No. 12 to the Master Services Agreement ("MSA") with Westwood Professional Services, Inc. for Neighborhood D Topography in the amount of \$8,000.

PHASE 1 (FILING NOS. 1, 2 AND 3) CONSTRUCTION MATTERS:

Drainage and Utilities: None.

Roadway Improvements: None.

Grading/Earthwork: None.

Landscape Improvements:

Phase 1: None.

Phase 2: None.

Phase 3: None.

PHASE II (FILING NO. 4) CONSTRUCTION MATTERS:

Grading/Earthwork: None.

Drainage and Utilities:

Change Order No. 7 to the Construction Contract with Nelson Pipeline Constructors, LLC Associated with Constructing Revised Headwalls / Wingwalls and New Collar in the Amount of \$49,610.00: Following



RECORD OF PROCEEDINGS

discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 7 to the Construction Contract with Nelson Pipeline Constructors, LLC associated with constructing revised headwalls / wingwalls and new collar in the amount of \$49,610.00.

Change Order No. 8 to the Construction Contract with Nelson Pipeline Constructors, LLC for Costs Associated with Extending Wet Utilities Within East 8th Place in the Amount of \$470,869.00: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 8 to the Construction Contract with Nelson Pipeline Constructors, LLC for costs associated with extending wet utilities within East 8th Place in the amount of \$470,869.00.

Change Order No. 9 to the Construction Contract with Nelson Pipeline Constructors, LLC for Costs Associated with Adjusting Fire Hydrants Heights and Fire Line Elevation Around the Site in the Amount of \$17,925.48: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 9 to the Construction Contract with Nelson Pipeline Constructors, LLC for costs associated with adjusting fire hydrants heights and fire line elevation around the site in the amount of \$17,925.48.

Change Order No. 10 to the Construction Contract with Nelson Pipeline Constructors, LLC for Costs Associated with Delayed Installation of Sanitary Services Along Bentley in the Amount of \$47,539.48: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 10 to the Construction Contract with Nelson Pipeline Constructors, LLC for costs associated with delayed installation of sanitary services along Bentley in the amount of \$47,539.48.

Pay Application No. 12 to the Construction Contract with Nelson Pipeline Constructors, LLC in the Amount of \$23,979.63: Following discussion, upon a motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 12 to the Construction Contract with Nelson Pipeline Constructors, LLC in the amount of \$23,979.63.



RECORD OF PROCEEDINGS

Erosion Control:

Pay Application No. 5 to the Erosion Control Contract with Pure Cycle Corp. in the Amount of \$28,466.75: Following discussion, upon a motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 5 to the Erosion Control Contract with Pure Cycle Corp. in the amount of \$28,466.75.

Roadway Improvements:

Paving/Asphalt:

Change Order No. 5 to the Construction Contract with Martin Marietta Materials, Inc. for Cost Adjustments Resulting from Roadway Cross Section Design Updates in the Amount of \$20,292.40: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 5 to the Construction Contract with Martin Marietta Materials, Inc. for cost adjustments resulting from roadway cross section design updates in the amount of \$20,292.40.

Change Order No. 6 to the Construction Contract with Martin Marietta Materials, Inc. for Costs Associated with the Increase of Raw Materials in the Amount of \$202,249.56: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 6 to the Construction Contract with Martin Marietta Materials, Inc. for costs associated with the increase of raw materials in the amount of \$202,249.56.

Change Order No. 7 to the Construction Contract with Martin Marietta Materials, Inc. for Costs Associated with Snow Removal and Stabilizing Subgrade in Areas Under Contract in the Amount of \$21,547.00: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 7 to the Construction Contract with Martin Marietta Materials, Inc. for costs associated with snow removal and stabilizing subgrade in areas under contract in the amount of \$21,547.00.

Pay Application No. 5 to the Construction Contract with Martin Marietta Materials, Inc. in the Amount of \$603,784.14: Following discussion, upon a



RECORD OF PROCEEDINGS

motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 5 to the Construction Contract with Martin Marietta Materials, Inc. in the amount of \$603,784.14.

Concrete/Striping/Signage:

Pay Application No. 6 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. (“PEI”) in the Amount of \$201,877.30:

Following discussion, upon a motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 6 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. (“PEI”) in the amount of \$201,877.30.

LEGAL MATTERS

Executive Session: The Board determined that an Executive Session was not necessary.

COMMUNITY
MANAGEMENT /
COVENANT
CONTROL /
OPERATIONS

Community Manager’s Report: The Board reviewed the Community Manager’s Report. No action was needed or taken.

OTHER BUSINESS

Quorum for June 10, 2022 Board Meeting: Following discussion, the Board determined to reschedule the June 10th Board meeting to June 13th.

ADJOURNMENT

There being no further business to come before the Board at this time, following a motion duly made by Director Lashnits, seconded by Director McNeill and, upon vote, unanimously carried, the Board adjourned the meeting at 9:22 a.m.

Respectfully submitted,

By: _____
Secretary for the Meeting

SKY RANCH COMMUNITY AUTHORITY BOARD
FINANCIAL STATEMENTS
MARCH 31, 2022



SKY RANCH COMMUNITY AUTHORITY BOARD
BALANCE SHEET - GOVERNMENTAL FUNDS
MARCH 31, 2022

	<u>General</u>	<u>Operations and Maintenance Fee</u>	<u>Alley Assessment Fee</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Regional Improvements</u>	<u>Total</u>
ASSETS							
Cash - Central Bank & Trust	\$ 140,295	\$ 176,260	\$ -	\$ -	\$ 166,436	\$ 60,254	\$ 543,245
UMB - 2019A Project Fund	-	-	-	-	4,625	-	4,625
UMB - 2019A Reserve Fund	-	-	-	915,149	-	-	915,149
UMB - 2019A Bond Fund	-	-	-	299,309	-	-	299,309
UMB - 2019B Project Fund	-	-	-	-	749	-	749
UMB - 2019A Revenue Fund	-	-	-	303,608	-	-	303,608
UMB - 2019A Surplus Fund	-	-	-	450,068	-	-	450,068
UMB - 2019B Bond Fund	-	-	-	1	-	-	1
Due from other districts	27,359	-	-	25,302	-	19,877	72,538
Accounts receivable	4,954	26,562	-	-	-	-	31,516
Deposits (SEMSWA)	-	-	-	-	38,010	-	38,010
TOTAL ASSETS	<u>\$ 172,608</u>	<u>\$ 202,822</u>	<u>\$ -</u>	<u>\$ 1,993,437</u>	<u>\$ 209,820</u>	<u>\$ 80,131</u>	<u>\$ 2,658,818</u>
LIABILITIES AND FUND BALANCES							
CURRENT LIABILITIES							
Accounts payable	\$ 34,903	\$ 22,115	\$ -	\$ -	\$ 480,993	\$ -	\$ 538,011
Retainage payable	-	-	-	-	333,058	-	333,058
Total Liabilities	<u>34,903</u>	<u>22,115</u>	<u>-</u>	<u>-</u>	<u>814,051</u>	<u>-</u>	<u>871,069</u>
FUND BALANCES							
Total Fund Balances	<u>137,705</u>	<u>180,707</u>	<u>-</u>	<u>1,993,437</u>	<u>(604,231)</u>	<u>80,131</u>	<u>1,787,749</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 172,608</u>	<u>\$ 202,822</u>	<u>\$ -</u>	<u>\$ 1,993,437</u>	<u>\$ 209,820</u>	<u>\$ 80,131</u>	<u>\$ 2,658,818</u>

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**SKY RANCH COMMUNITY AUTHORITY BOARD
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022**

GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Public improvement fees	\$ 150,000	\$ 30,258	\$ (119,742)
Transfer from Sky Ranch MD No. 1	152,430	65,055	(87,375)
Transfer from Sky Ranch MD No. 3	736	400	(336)
Transfer from Sky Ranch MD No. 5	45,768	23,260	(22,508)
TOTAL REVENUES	348,934	118,973	(229,961)
EXPENDITURES			
Audit	6,000	-	6,000
Dues	2,500	1,996	504
Insurance	31,000	31,302	(302)
Legal	90,000	19,135	70,865
Accounting	58,000	11,712	46,288
CAB management	67,500	17,396	50,104
Election expense	20,000	7,088	12,912
Contingency	19,000	103	18,897
TOTAL EXPENDITURES	294,000	88,732	205,268
NET CHANGE IN FUND BALANCES	54,934	30,241	(24,693)
FUND BALANCES - BEGINNING	29,498	107,464	77,966
FUND BALANCES - ENDING	\$ 84,432	\$ 137,705	\$ 53,273

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**SKY RANCH COMMUNITY AUTHORITY BOARD
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022**

OPERATIONS AND MAINTENANCE FEE FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Design review fees	\$ 1,000	\$ -	\$ (1,000)
O&M fees	300,000	80,019	(219,981)
Administrative fee	20,000	2,100	(17,900)
Other revenue	5,000	1,400	(3,600)
TOTAL REVENUES	<u>326,000</u>	<u>83,519</u>	<u>(242,481)</u>
EXPENDITURES			
Legal	15,000	1,238	13,762
Community management	24,000	6,383	17,617
Fee billing and collection	36,000	7,790	28,210
Landscaping	125,000	25,205	99,795
Covenant control	20,000	5,000	15,000
Detention ponds	3,000	-	3,000
Fencing	6,000	-	6,000
Parks and trails	20,000	-	20,000
Mailboxes	6,000	-	6,000
Operations and maintenance reserve	31,000	-	31,000
Status letter processing	15,000	1,770	13,230
Community event	12,000	-	12,000
Utilities	130,000	5,527	124,473
CAB management	7,000	-	7,000
TOTAL EXPENDITURES	<u>450,000</u>	<u>52,913</u>	<u>397,087</u>
NET CHANGE IN FUND BALANCES	(124,000)	30,606	154,606
FUND BALANCES - BEGINNING	<u>145,362</u>	<u>150,101</u>	<u>4,739</u>
FUND BALANCES - ENDING	<u>\$ 21,362</u>	<u>\$ 180,707</u>	<u>\$ 159,345</u>

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SKY RANCH COMMUNITY AUTHORITY BOARD
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE THREE MONTHS ENDED MARCH 31, 2022

ALLEY ASSESSMENT FEE FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Alley Assessment fee	\$ 47,254	\$ -	\$ (47,254)
TOTAL REVENUES	47,254	-	(47,254)
EXPENDITURES			
Repairs and maintenance	2,250	-	2,250
Snow removal	21,000	-	21,000
Contingency	24,004	-	24,004
TOTAL EXPENDITURES	47,254	-	47,254
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

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SUPPLEMENTARY INFORMATION

**SKY RANCH COMMUNITY AUTHORITY BOARD
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022**

DEBT SERVICE FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Interest income	\$ 1,500	\$ 242	\$ (1,258)
Transfer from Sky Ranch MD No. 1	762,206	325,299	(436,907)
TOTAL REVENUES	763,706	325,541	(438,165)
EXPENDITURES			
Paying agent fees	7,500	-	7,500
Bond interest - 2019A	571,750	-	571,750
Bond interest - 2019B	332,280	-	332,280
Bond principal - 2019A	150,000	-	150,000
Contingency	4,983	-	4,983
TOTAL EXPENDITURES	1,066,513	-	1,066,513
NET CHANGE IN FUND BALANCES	(302,807)	325,541	628,348
FUND BALANCES - BEGINNING	1,667,807	1,667,896	89
FUND BALANCES - ENDING	\$ 1,365,000	\$ 1,993,437	\$ 628,437

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**SKY RANCH COMMUNITY AUTHORITY BOARD
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022**

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
TOTAL REVENUES			
EXPENDITURES			
Legal	150,000	3,188	146,812
Engineering and management	200,000	34,929	165,071
Streets - grading/erosion control	25,000	-	25,000
Promotional activities	105,000	-	105,000
Fees, permits and administration	45,000	8,008	36,992
Utilities	1,750,000	450,320	1,299,680
Warranty and turnover	150,000	-	150,000
Project management fee	450,000	-	450,000
Streets	5,000,000	2,061,008	2,938,992
Landscaping	200,000	12,218	187,782
Contingency	1,650,000	-	1,650,000
TOTAL EXPENDITURES	<u>9,725,000</u>	<u>2,569,671</u>	<u>7,155,329</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,725,000)	(2,569,671)	7,155,329
OTHER FINANCING SOURCES (USES)			
Developer advance	9,275,000	4,859,300	(4,415,700)
Developer advance -Project Management	450,000	-	(450,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>9,725,000</u>	<u>4,859,300</u>	<u>(4,865,700)</u>
NET CHANGE IN FUND BALANCES	-	2,289,629	2,289,629
FUND BALANCES - BEGINNING	-	(2,893,861)	(2,893,861)
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ (604,232)</u>	<u>\$ (604,232)</u>

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**SKY RANCH COMMUNITY AUTHORITY BOARD
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022**

REGIONAL IMPROVEMENTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Transfer from Sky Ranch MD No. 3	\$ 657	\$ 357	\$ (300)
Transfer from Sky Ranch MD No. 5	40,796	20,733	(20,063)
TOTAL REVENUES	<u>41,453</u>	<u>21,090</u>	<u>(20,363)</u>
EXPENDITURES			
Legal	5,000	-	5,000
Contingency	94,669	-	94,669
TOTAL EXPENDITURES	<u>99,669</u>	<u>-</u>	<u>99,669</u>
NET CHANGE IN FUND BALANCES	(58,216)	21,090	79,306
FUND BALANCES - BEGINNING	<u>58,216</u>	<u>59,041</u>	<u>825</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 80,131</u>	<u>\$ 80,131</u>

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SKY RANCH COMMUNITY AUTHORITY BOARD
Schedule of Cash Position
March 31, 2022
Updated as of May 13, 2022

	General Fund	O&M Fee Fund	Debt Service Fund	Capital Projects Fund	Regional Improvements Fund	Total
Central Bank & Trust - Checking Account						
Balance as of 03/31/22	\$ 140,295.14	\$ 176,260.13	\$ 0.07	\$ 166,435.96	\$ 60,254.11	\$ 543,245.41
Subsequent activities:						
04/07/22 - Tax Distribution - Sky Ranch MD #1	5,059.98	-	25,301.77	-	-	30,361.75
04/07/22 - Tax Distribution - Sky Ranch MD #3	147.85	-	-	-	131.92	279.77
04/07/22 - Tax Distribution - Sky Ranch MD #5	22,151.58	-	-	-	19,745.06	41,896.64
04/08/22 - ACH Payments	-	(20.29)	-	-	-	(20.29)
04/11/22 - Fees for Online Payment	-	(693.54)	-	-	-	(693.54)
04/12/22 - Developer Advance	-	-	-	198,045.79	-	198,045.79
04/13/22 - Checks 1306-1315	-	-	(25,301.80)	(83,758.24)	-	(109,060.04)
04/14/22 - ACH Payments	(20,101.80)	(10,766.54)	-	(127,033.40)	-	(157,901.74)
04/28/22 - Developer Advance	-	-	-	130,674.05	-	130,674.05
04/28/22 - ACH Payments	-	-	-	(130,674.05)	-	(130,674.05)
April PIF Deposits	5,372.24	-	-	-	-	5,372.24
April O&M Fee Deposits	-	36,204.72	-	-	-	36,204.72
05/02/22 - Fees for Online Payment	-	(83.75)	-	-	-	(83.75)
05/10/22 - Tax Distribution - Sky Ranch MD #1	8,432.91	-	42,167.77	-	-	50,600.68
05/10/22 - Tax Distribution - Sky Ranch MD #3	122.46	-	-	-	109.28	231.74
05/10/22 - Tax Distribution - Sky Ranch MD #5	212.52	-	-	-	189.44	401.96
May O&M Fee Deposits	-	37,129.33	-	-	-	37,129.33
Anticipated Voucher Payable	(14,801.36)	(16,655.17)	-	(140,349.09)	-	(171,805.62)
Anticipated Transfer to UMB	-	-	(42,167.81)	-	-	(42,167.81)
<i>Anticipated balance</i>	<u>146,891.52</u>	<u>221,374.89</u>	<u>-</u>	<u>13,341.02</u>	<u>80,429.81</u>	<u>462,037.24</u>
UMB - 2019A Revenue Fund						
Balance as of 03/31/22	-	-	303,607.82	-	-	303,607.82
Subsequent activities:						
04/19/22 - Transfer from CBT Checking	-	-	25,301.80	-	-	25,301.80
04/30/22 - Interest Income	-	-	48.12	-	-	48.12
Anticipated Deposit (Transfer from CBT Checking)	-	-	42,167.81	-	-	42,167.81
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>371,125.55</u>	<u>-</u>	<u>-</u>	<u>371,125.55</u>
UMB - 2019A Bond Fund						
Balance as of 03/31/22	-	-	299,309.02	-	-	299,309.02
Subsequent activities:						
04/13/22 - Transfer from 2019A Reserve Fund	-	-	202.44	-	-	202.44
04/30/22 - Interest Income	-	-	46.11	-	-	46.11
Anticipated December Debt Service - 2019A	-	-	(285,875.00)	-	-	(285,875.00)
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>13,682.57</u>	<u>-</u>	<u>-</u>	<u>13,682.57</u>
UMB - 2019A Reserve Fund						
Balance as of 03/31/22	-	-	915,148.95	-	-	915,148.95
Subsequent activities:						
04/13/22 - Transfer to 2019A Bond Fund	-	-	(202.44)	-	-	(202.44)
04/30/22 - Interest Income	-	-	140.77	-	-	140.77
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>915,087.28</u>	<u>-</u>	<u>-</u>	<u>915,087.28</u>
UMB - 2019A Surplus Fund						
Balance as of 03/31/22	-	-	450,067.55	-	-	450,067.55
Subsequent activities:						
04/30/22 - Interest Income	-	-	69.21	-	-	69.21
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>450,136.76</u>	<u>-</u>	<u>-</u>	<u>450,136.76</u>
UMB - 2019A Project Fund						
Balance as of 03/31/22	-	-	-	4,624.95	-	4,624.95
04/30/22 - Interest Income	-	-	-	0.68	-	0.68
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,625.63</u>	<u>-</u>	<u>4,625.63</u>
UMB - 2019B Revenue Fund						
Balance as of 03/31/22	-	-	0.06	-	-	0.06
Subsequent activities:						
None	-	-	-	-	-	-
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>0.06</u>	<u>-</u>	<u>-</u>	<u>0.06</u>
UMB - 2019B Bond Fund						
Balance as of 03/31/22	-	-	0.58	-	-	0.58
Subsequent activities:						
None	-	-	-	-	-	-
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>0.58</u>	<u>-</u>	<u>-</u>	<u>0.58</u>
UMB - 2019B Project Fund						
Balance as of 03/31/22	-	-	-	749.34	-	749.34
Subsequent activities:						
04/30/22 - Interest Income	-	-	-	0.01	-	0.01
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>749.35</u>	<u>-</u>	<u>749.35</u>
<i>Anticipated balance</i>	<u>\$ 146,891.52</u>	<u>\$ 221,374.89</u>	<u>\$ 1,750,032.80</u>	<u>\$ 18,716.00</u>	<u>\$ 80,429.81</u>	<u>\$ 2,217,445.02</u>

Current Yield (as of 04/30/22)

UMB invested in ColoTrust Prime - 0.28%

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Sky Ranch Community Authority Board

Accounts Receivables Summary

March 31, 2022

	<u>Fees Billed YTD</u>	<u>Outstanding AR</u>
<u>O&M Fees</u>		
KB Homes	293.33	293.33
Richmond	7,938.66	7,938.66
Taylor Morrison	2,859.90	7,811.54
Pure Cycle	2,600.00	2,600.00
Homeowners	69,827.03	7,918.05
Total O&M	<u>83,518.92</u>	<u>26,561.58</u>
<u>PIF</u>		
KB Homes	1,179.42	13,148.05
Richmond	27,973.65	(3.00)
Taylor Morrison	1,104.88	(8,191.21)
Pure Cycle	-	-
Total PIF	<u>30,257.95</u>	<u>4,953.84</u>

PIF information on this page provided by the Developer.

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Sky Ranch Community Authority Board
Accounts Receivables - O&M Fees
March 31, 2022

Billing Category/Builder	January	February	March	April	May	June	July	August	September	October	November	December	Total	
O&M Fees - Homebuilders														
KB Homes	-	-	293.33	-	-	-	-	-	-	-	-	-	293.33	
Richmond	-	-	7,938.66	-	-	-	-	-	-	-	-	-	7,938.66	
Taylor Morrison	-	-	2,859.90	-	-	-	-	-	-	-	-	-	2,859.90	
Pure Cycle	-	-	2,600.00	-	-	-	-	-	-	-	-	-	2,600.00	
Amount Due	-	-	13,691.89	-	-	-	-	-	-	-	-	-	13,691.89	
Payment Received														
KB Homes	-	(1,257.07)	-	-	-	-	-	-	-	-	-	-	(1,257.07)	
Richmond	(10,684.24)	-	-	-	-	-	-	-	-	-	-	-	(10,684.24)	
Taylor Morrison	-	-	-	-	-	-	-	-	-	-	-	-	-	
Pure Cycle	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Amount Received	(10,684.24)	(1,257.07)	-	-	-	-	-	-	-	-	-	-	(11,941.31)	
Balance as of 12/31/2021														
O&M Fees AR - Homebuilders (1)														
KB Homes	1,257.07	(1,257.07)	293.33	-	-	-	-	-	-	-	-	-	293.33	
Richmond	10,684.24	(10,684.24)	7,938.66	-	-	-	-	-	-	-	-	-	7,938.66	
Taylor Morrison	4,951.64	-	2,859.90	-	-	-	-	-	-	-	-	-	7,811.54	
Pure Cycle	-	-	2,600.00	-	-	-	-	-	-	-	-	-	2,600.00	
Total O&M Fees AR	16,892.95	(10,684.24)	13,691.89	-	-	-	-	-	-	-	-	-	18,643.53	
O&M Fees - Homeowners														
O&M Fees	66,207.05	-	120.00	-	-	-	-	-	-	-	-	-	66,327.05	
Transfer Fees	800.00	400.00	900.00	-	-	-	-	-	-	-	-	-	2,100.00	
Late Fee	19.98	1,395.00	(15.00)	-	-	-	-	-	-	-	-	-	1,399.98	
Amount Due	67,027.03	1,795.00	1,005.00	-	-	-	-	-	-	-	-	-	69,827.03	
Payment Received														
	(13,786.12)	(42,838.95)	(8,714.95)	-	-	-	-	-	-	-	-	-	(65,340.02)	
Total O&M Fees AR - Homeowners	3,431.04	53,240.91	(41,043.95)	(7,709.95)	-	-	-	-	-	-	-	-	7,918.05	
Total O&M Fees Billed	67,027.03	1,795.00	14,696.89	-	-	-	-	-	-	-	-	-	83,518.92	
Total Payments Received	(24,470.36)	(44,096.02)	(8,714.95)	-	-	-	-	-	-	-	-	-	(77,281.33)	
Total Outstanding	42,556.67	(42,301.02)	5,981.94	-	-	-	-	-	-	-	-	-	6,237.59	
													Beginning AR Balance	20,323.99
													Total AR Balance	26,561.58

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Sky Ranch Community Authority Board
Accounts Receivables - Public Improvement Fees
March 31, 2022

Billing Category/Builder	January	February	March	April	May	June	July	August	September	October	November	December	Total	
PIF														
KB Homes	1,179.42	-	-	-	-	-	-	-	-	-	-	-	1,179.42	
Richmond	5,384.03	22,589.62	-	-	-	-	-	-	-	-	-	-	27,973.65	
Taylor Morrison	1,104.88	-	-	-	-	-	-	-	-	-	-	-	1,104.88	
Pure Cycle	-	-	-	-	-	-	-	-	-	-	-	-	-	
Amount Due	7,668.33	22,589.62	-	-	-	-	-	-	-	-	-	-	30,257.95	
Payment Received														
KB Homes	-	-	-	-	-	-	-	-	-	-	-	-	-	
Richmond	(5,384.03)	-	(22,589.62)	-	-	-	-	-	-	-	-	-	(27,973.65)	
Taylor Morrison	(1,104.88)	-	-	-	-	-	-	-	-	-	-	-	(1,104.88)	
Pure Cycle	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Amount Received	(6,488.91)	-	(22,589.62)	-	-	-	-	-	-	-	-	-	(29,078.53)	
Balance as of														
PIF AR	12/31/2021													
KB Homes	11,968.63	1,179.42	-	-	-	-	-	-	-	-	-	-	13,148.05	
Richmond	(3.00)	-	22,589.62	(22,589.62)	-	-	-	-	-	-	-	-	(3.00)	
Taylor Morrison	(8,191.21)	-	-	-	-	-	-	-	-	-	-	-	(8,191.21)	
Pure Cycle	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total PIF AR	3,774.42	1,179.42	22,589.62	(22,589.62)	-	-	-	-	-	-	-	-	4,953.84	
Total PIF Billed	7,668.33	22,589.62	-	-	-	-	-	-	-	-	-	-	30,257.95	
Total Payments Received	(6,488.91)	-	(22,589.62)	-	-	-	-	-	-	-	-	-	(29,078.53)	
Total Outstanding	1,179.42	22,589.62	(22,589.62)	-	-	-	-	-	-	-	-	-	1,179.42	
													Beginning AR Balance	3,774.42
													Total AR Balance	4,953.84

PIF information on this page is provided by the Developer.

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**Sky Ranch Metropolitan District No. 1
Property Taxes Reconciliation
2022**

	Current Year						Prior Year					
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
							Monthly	Y-T-D		Monthly	Y-T-D	
January	\$ 10,530.57	\$ -	\$ 4,349.52	\$ -	\$ (157.96)	\$ 14,722.13	1.21%	1.21%	\$ 2,417.93	0.00%	0.00%	
February	345,446.55	-	5,004.88	-	(5,181.70)	345,269.73	39.85%	41.06%	104,291.16	27.15%	27.15%	
March	25,776.47	-	4,961.88	10.20	(386.80)	30,361.75	2.97%	44.03%	26,516.25	6.35%	33.50%	
April	-	-	-	-	-	-	0.00%	44.03%	14,146.55	3.18%	36.68%	
May	-	-	-	-	-	-	0.00%	44.03%	139,129.81	36.34%	73.01%	
June	-	-	-	-	-	-	0.00%	44.03%	103,025.39	26.69%	99.71%	
July	-	-	-	-	-	-	0.00%	44.03%	2,631.54	0.07%	99.78%	
August	-	-	-	-	-	-	0.00%	44.03%	2,986.21	0.22%	100.00%	
September	-	-	-	-	-	-	0.00%	44.03%	2,401.11	0.00%	100.00%	
October	-	-	-	-	-	-	0.00%	44.03%	2,108.30	0.00%	100.00%	
November	-	-	-	-	-	-	0.00%	44.03%	2,161.60	0.00%	100.00%	
December	-	-	-	-	-	-	0.00%	44.03%	2,155.60	0.00%	100.00%	
\$	381,753.59	\$ -	\$ 14,316.28	\$ 10.20	\$ (5,726.46)	\$ 390,353.61	44.03%	44.03%	\$ 403,971.45	100.00%	100.00%	

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	\$ 144,483.00	16.67%	\$ 63,621.56	44.03%
Debt Service Fund	722,470.00	83.33%	318,132.03	44.03%
\$	866,953.00	100.00%	\$ 381,753.59	44.03%

Specific Ownership Tax

General Fund	\$ 10,114.00	16.67%	\$ 2,385.89	23.59%
Debt Service Fund	50,573.00	83.33%	11,930.39	23.59%
\$	60,687.00	100.00%	\$ 14,316.28	23.59%

Treasurer's Fees

General Fund	\$ 2,167.00	16.67%	\$ 954.35	44.04%
Debt Service Fund	10,837.00	83.33%	4,772.11	44.04%
\$	13,004.00	100.00%	\$ 5,726.46	44.04%

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**Sky Ranch Metropolitan District No. 3
Property Taxes Reconciliation
2022**

	Current Year							Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 6.52	\$ -	\$ -	\$ 6.52	0.00%	0.00%	\$ -	0.00%	0.00%
February	470.16	-	7.50	-	(7.05)	470.61	35.65%	35.65%	-	0.00%	0.00%
March	276.49	-	7.43	-	(4.15)	279.77	20.96%	56.61%	-	0.00%	0.00%
April	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
May	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
June	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
July	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
August	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
September	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
October	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
November	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
December	-	-	-	-	-	-	0.00%	56.61%	-	0.00%	0.00%
\$	746.65	\$ -	\$ 21.45	\$ -	\$ (11.20)	\$ 756.90	56.61%	56.61%	\$ -	0.00%	0.00%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	\$ 697.00	52.84%	\$ 394.55	56.61%
Regional Improvements	622.00	47.16%	352.10	56.61%
\$	1,319.00	100.00%	\$ 746.65	56.61%

Specific Ownership Tax

General Fund	\$ 49.00	52.84%	\$ 11.33	23.13%
Regional Improvements	44.00	47.16%	10.12	22.99%
\$	93.00	100.00%	\$ 21.45	23.06%

Treasurer's Fees

General Fund	\$ 10.00	52.84%	\$ 5.92	59.18%
Regional Improvements	9.00	47.16%	5.28	58.68%
\$	19.00	100.00%	\$ 11.20	58.95%

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**Sky Ranch Metropolitan District No. 5
Property Taxes Reconciliation
2022**

	Current Year							Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 405.77	\$ -	\$ -	\$ 405.77	0.00%	0.00%	\$ 800.61	0.00%	0.00%
February	1,242.96	-	466.91	-	(18.64)	1,691.23	1.51%	1.51%	4,108.21	2.81%	2.81%
March	42,064.71	-	462.90	-	(630.97)	41,896.64	51.27%	52.78%	57,789.03	45.56%	48.37%
April	-	-	-	-	-	-	0.00%	52.78%	4,789.91	3.26%	51.63%
May	-	-	-	-	-	-	0.00%	52.78%	646.60	0.00%	51.63%
June	-	-	-	-	-	-	0.00%	52.78%	61,193.11	48.37%	100.00%
July	-	-	-	-	-	-	0.00%	52.78%	780.49	0.00%	100.00%
August	-	-	-	-	-	-	0.00%	52.78%	700.78	0.00%	100.00%
September	-	-	-	-	-	-	0.00%	52.78%	795.04	0.00%	100.00%
October	-	-	-	-	-	-	0.00%	52.78%	698.09	0.00%	100.00%
November	-	-	-	-	-	-	0.00%	52.78%	715.74	0.00%	100.00%
December	-	-	-	-	-	-	0.00%	52.78%	713.75	0.00%	100.00%
\$	43,307.67	\$ -	\$ 1,335.58	\$ -	\$ (649.61)	\$ 43,993.64	52.78%	52.78%	\$ 133,731.36	100.00%	100.00%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	\$ 43,382.00	52.87%	\$ 22,897.63	52.78%
Regional Improvements	38,669.00	47.13%	20,410.04	52.78%
\$	82,051.00	100.00%	\$ 43,307.67	52.78%

Specific Ownership Tax

General Fund	\$ 3,037.00	52.87%	\$ 706.15	23.25%
Regional Improvements	2,707.00	47.13%	629.43	23.25%
\$	5,744.00	100.00%	\$ 1,335.58	23.25%

Treasurer's Fees

General Fund	\$ 651.00	52.87%	\$ 343.46	52.76%
Regional Improvements	580.00	47.13%	306.15	52.78%
\$	1,231.00	100.00%	\$ 649.61	52.77%

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Sky Ranch Community Authority Board
 Developer Advance Summary
 March 31, 2022

Type of Advance	Principal Balance	Accrued Interest	Total Outstanding Developer Advances
Project Management Fee	\$ 1,942,111.42	\$ 258,858.90	\$ 2,200,970.32
BMPs & Erosion Control/Inspection Services	716,329.38	124,342.58	840,671.96
Advances to CAB for Capital Projects	30,062,976.60	2,202,479.50	32,265,456.10
Total Advances Due	\$ 32,721,417.40	\$ 2,585,680.98	\$ 35,307,098.38

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Sky Ranch Community Authority Board
 Developer Advance - Project Management
 March 31, 2022

Date	Developer Advances	Interest Accrued	<u>Repay Developer Advances</u>		Outstanding balance
			Principal	Interest	
Beginning Balance as of 12/31/20	\$ 1,369,322.38	\$ 136,087.11	\$ -	\$ -	\$ 1,505,409.49
01/31/2021	51,735.58	-	-	-	1,557,145.07
02/28/2021	7,509.88	-	-	-	1,564,654.95
03/31/2021	8,467.08	-	-	-	1,573,122.03
04/30/2021	23,279.96	-	-	-	1,596,401.99
05/31/2021	12,899.04	-	-	-	1,609,301.03
06/30/2021	48,403.51	-	-	-	1,657,704.54
07/31/2021	42,795.90	-	-	-	1,700,500.44
08/31/2021	68,000.49	-	-	-	1,768,500.93
09/30/2021	76,483.76	-	-	-	1,844,984.69
10/31/2021	101,678.55	-	-	-	1,946,663.24
11/30/2021	90,017.38	-	-	-	2,036,680.62
12/31/2021	41,517.91	-	-	-	2,078,198.53
Accrued Interest	-	93,640.12	-	-	2,171,838.65
Total 2021 Advances (Repayments)	572,789.04	93,640.12	-	-	
Accrued Interest	-	29,131.67	-	-	2,200,970.32
Total 2022 Advances (Repayments)	-	29,131.67	-	-	
Outstanding Balance as of 03/31/22 (Net of Repayments)	\$ 1,942,111.42	\$ 258,858.90			\$ 2,200,970.32

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Sky Ranch Community Authority Board
 Developer Advance - BMP & Inspection Services
 March 31, 2022

Date	Developer Advances	Interest Accrued	<u>Repay Developer Advances</u>		Outstanding balance
			Principal	Interest	
Beginning Balance as of 12/31/20	\$ 599,302.10	\$ 80,108.73	\$ -	\$ -	\$ 679,410.83
01/01/2021	5,846.29	-	-	-	685,257.12
03/01/2021	3,850.93	-	-	-	689,108.05
04/01/2021	4,220.57	-	-	-	693,328.62
05/01/2021	8,222.50	-	-	-	701,551.12
12/31/2021 Cost Cert Adjs	94,886.99	-	-	-	796,438.11
Accrued Interest	-	33,488.91	-	-	829,927.02
Total 2021 Advances (Repayments)	117,027.28	33,488.91	-	-	
Accrued Interest	-	10,744.94	-	-	840,671.96
Total 2022 Advances (Repayments)	-	10,744.94	-	-	
Outstanding Balance as of 03/31/22 (Net of Repayments)	\$ 716,329.38	\$ 124,342.58			\$ 840,671.96

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Sky Ranch Community Authority Board
 Developer Advance - Capital Projects
 March 31, 2022

Date	Developer Advances	Interest Accrued	<u>Repay Developer Advances</u>		Outstanding balance
			Principal	Interest	
Beginning Balance as of 12/31/20	\$18,316,642.86	\$ 1,035,029.44	\$ -	\$ -	\$ 19,351,672.30
01/12/2021	452,473.47	-	-	-	19,804,145.77
01/25/2021	-	-	-	(400,000.00)	19,404,145.77
02/17/2021	233,313.55	-	-	-	19,637,459.32
03/16/2021	183,568.60	-	-	-	19,821,027.92
04/28/2021	69,446.58	-	-	-	19,890,474.50
05/13/2021	250.00	-	-	-	19,890,724.50
05/28/2021	316,035.89	-	-	-	20,206,760.39
06/22/2021	483,881.16	-	-	-	20,690,641.55
06/29/2021	12,386.25	-	-	-	20,703,027.80
07/21/2021	391,336.59	-	-	-	21,094,364.39
08/18/2021	631,189.47	-	-	-	21,725,553.86
09/15/2021	788,399.30	-	-	-	22,513,953.16
09/27/2021	2,533.00	-	-	-	22,516,486.16
10/12/2021	1,552,034.62	-	-	-	24,068,520.78
11/16/2021	1,991,409.76	-	-	-	26,059,930.54
11/23/2021	1,135.00	-	-	-	26,061,065.54
12/15/2021	1,966,066.17	-	-	-	28,027,131.71
12/31/2021 Cost Cert Adjs	(2,188,425.32)	-	-	-	25,838,706.39
Accrued Interest	-	1,150,818.17	-	-	26,989,524.56
Total 2021 Advances (Repayments)	6,887,034.09	1,150,818.17	-	(400,000.00)	
01/10/2022	292,090.54	-	-	-	27,281,615.10
01/19/2022	1,502,415.65	-	-	-	28,784,030.75
01/31/2022	457,308.32	-	-	-	29,241,339.07
02/15/2022	2,375,420.57	-	-	-	31,616,759.64
03/11/2022	232,064.57	-	-	-	31,848,824.21
Accrued Interest	-	416,631.89	-	-	32,265,456.10
Total 2022 Advances (Repayments)	4,859,299.65	416,631.89	-	-	
Outstanding Balance as of 03/31/22 (Net of Repayments)	\$30,062,976.60	\$ 2,202,479.50			\$ 32,265,456.10

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**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.

**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.

**SKY RANCH COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.).

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**SKY RANCH COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

**SKY RANCH COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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	<u>\$ 23,437,853</u>	<u>\$ 12,307,663</u>	<u>\$ 495,381</u>	<u>\$ 35,250,135</u>
	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	<u>\$ 35,250,135</u>	<u>\$ 12,030,130</u>	<u>\$ 482,280</u>	<u>\$ 46,797,985</u>

The CAB currently has no operating or capital leases.

**SKY RANCH COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

**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

The accompanying financial statements of Sky Ranch Community Authority Board as of and for the period ended March 31, 2022, were not subjected to an audit, review, or compilation by CLA and, we do not express an opinion, conclusion, nor provide any assurance on them. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Sky Ranch Community Authority Board
Cash Requirements List 6/6/2022

Vendors	Number of Invoices	Sum of Net A/P	
Debt Service Fund Agreement	1	90,655.60	
UMB Bank	1	90,655.60	
FFAA	18	1,467,298.53	
Aurora Media Group	1	107.25	
CMS Environmental Solutions, LLC	2	790.00	
CTL Thompson Incorporated	2	10,715.50	
IDES, LLC	2	8,520.60	
KT Engineering, LLC	1	30,215.00	
LSC Transportation	1	1,942.70	
Martin Marietta Materials, Inc	1	603,784.14	
MPI Designs	1	5,035.00	
Nelson Pipeline	2	545,341.48	
PCS Group, Inc	1	5,840.69	
Premier Earthworks & Infrastructure	1	201,877.30	
Pure Cycle Corporation	2	41,429.37	
Westwood Professional Services	1	11,699.50	
O&M Fund Payment	30	43,441.38	
BrightView Landscape Services	4	7,675.15	
CliftonLarsonAllen LLP	5	10,113.84	
David Evans and Associates Inc.	1	5,922.75	
McGeady Becher PC	15	7,100.00	
Rangeview Metropolitan District	1	2,148.40	
Zonda Advisory	1	9,750.00	
Xcel Energy AUTOPAY	1	131.24	<i>Payment to be ratified</i>
CDOT	2	600.00	<i>Payment to be ratified</i>
Grand Total	49	1,601,395.51	

**SKY RANCH COMMUNITY AUTHORITY BOARD
ARAPAHOE COUNTY, COLORADO**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021

**SKY RANCH COMMUNITY AUTHORITY BOARD
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INSERT INDEPENDENT AUDITOR'S REPORT

(1)

**SKY RANCH COMMUNITY AUTHORITY BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021**

The following is management's discussion and analysis (MD&A) of the financial activities of the Sky Ranch Community Authority Board (the CAB) for the year ended December 31, 2021. This information should be read in conjunction with the basic financial statements which follow.

BACKGROUND INFORMATION

Pursuant to a Community Authority Board Establishment Agreement, as the same may be amended from time to time, Sky Ranch Metropolitan District No. 1, Sky Ranch Metropolitan District No. 3 and Sky Ranch Metropolitan District No. 5 (collectively, the CAB Districts) formed the CAB to, among other things, design, construct, finance, operate and maintain certain public improvements for the benefit of the property within the boundaries and/or service area of the CAB Districts. In order for the public improvements to be constructed and/or acquired, it is necessary for each of the CAB Districts, directly or through the CAB, to be able to fund the improvements and pay its ongoing operations and maintenance expenses related to the provision of services that benefit the property. The CAB entered into agreements with Pure Cycle Corporation (the Developer) in November 2017, June 2018 and August 2021, requiring the Developer to fund expenses related to the construction of an agreed upon list of improvements for the Sky Ranch property.

FINANCIAL HIGHLIGHTS

- Total assets of \$36.6 million, an increase of \$3.8 million or 11.6% from 2020
- Total liabilities of \$46.9 million, an increase of \$11.5 million or 32.3% from 2020
- Total revenues of approximately \$1.0 million, consistent with 2020
- Developer advances were \$8.2 million, an increase of \$3.0 million or 57.7% from 2020
- The outstanding Developer advances as of December 31, 2021 were \$27.9 million, an increase of 41.9% from 2020
- Capital asset additions were \$4.5 million in 2021
- The above changes were largely due to the development of Sky Ranch which began in 2018

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the CAB's basic financial statements, which are comprised of three parts: i) the MD&A, ii) the basic financial statements, including the notes thereto; and iii) the supplementary and other information. The basic financial statements include two kinds of statements that present information relating to the CAB:

- The first two are government-wide financial statements that provide both long-term and short-term information about the CAB's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the CAB, reporting the CAB's operations in more detail than the government-wide financial statements.

**SKY RANCH COMMUNITY AUTHORITY BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021**

The government-wide financial statements are designed to provide readers a broad overview of the CAB's finances, in a manner similar to a private-sector business. The statement of net position includes all of the CAB's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. These statements provide both short-term and long-term information about the CAB's overall financial status.

The statement of net position presents information on the CAB's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as Net Position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CAB is improving or deteriorating.

The statement of activities shows how the CAB's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This is known as the accrual basis of accounting. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future (e.g., unpaid developer advances) or that may have occurred in the past (e.g., amortization of debt premiums or discount and prepaid contributed capital). This statement measures the financial outcomes of the CAB's activities and can be used to determine whether the CAB has successfully recovered all its economic costs through its fees, capital contributions, and other charges.

The fund financial statements provide more detailed information about the CAB's funds. Funds are accounting devices the CAB uses to keep track of specific sources of funding and spending on particular programs. All of the CAB's basic services are included in governmental funds, which generally focus on: 1) inflows and outflows of cash and other financial assets, and 2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the CAB's programs. Because this information does not encompass the long-term focus of the government-wide statements, a reconciling schedule is included on the governmental funds statements explaining the relationship (or difference) between them.

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements, such as the CAB's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

Supplementary and other information provide details on budget to actual changes, a reconciliation of revenues and expenditures on a budgetary basis, and a schedule of debt service requirements to maturity.

**SKY RANCH COMMUNITY AUTHORITY BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021**

FINANCIAL ANALYSIS

Net Position

As discussed above, net position may serve over time as a useful indicator of the CAB's financial position. The table below presents a summary of the CAB's net position:

Table 1 – Condensed Statements of Net Position

	<u>As of December 31,</u>		<u>Year-to-year Changes</u>	
	<u>2021</u>	<u>2020</u>	<u>\$</u>	<u>%</u>
Cash and Other Assets	\$ 2,276,286	\$ 2,981,439	\$ (705,153)	(23.7)%
Capital Assets	34,282,878	29,765,374	4,517,504	15.2%
Total Assets	<u>\$ 36,559,164</u>	<u>\$ 32,746,813</u>	<u>\$ 3,812,351</u>	<u>11.6%</u>
Accounts Payable	\$ 2,859,757	\$ 761,513	\$ 2,098,244	275.5%
Other Liabilities	44,027,383	34,669,007	9,358,376	27.0%
Total Liabilities	<u>46,887,140</u>	<u>35,430,520</u>	<u>11,456,620</u>	<u>32.3%</u>
Net Position				
Net Investment in Capital Assets	(15,254,353)	-	(15,254,353)	--%
Restricted	246,940	65,167	181,773	278.9%
Unrestricted	4,679,437	(2,748,874)	7,428,311	(270.2)%
Total Net Position	<u>\$ (10,327,976)</u>	<u>\$ (2,683,707)</u>	<u>\$ (7,644,269)</u>	<u>284.8%</u>

The CAB's most significant assets are related to the infrastructure being constructed at Sky Ranch related to the public improvements (roads, sidewalks, parks, etc.). The largest liabilities are the amounts owed to the Developer and the bond holders for the cost of the infrastructure noted above.

The CAB's net position represents amounts restricted for a specific purpose. The restricted amount represents Emergency Reserves that have been provided as required by the Constitution of the State of Colorado.

The remaining balance of the CAB's net position represents unrestricted net position and may be used to meet the CAB's ongoing obligations to creditors.

**SKY RANCH COMMUNITY AUTHORITY BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021**

Change in Net Position

While the statement of net position displays the CAB's assets, liabilities and net position at year-end, the statement of activity and the statement of revenues, expenses, and changes in net position provide information on the source of the change in net position during the year. The majority of the changes in net position are a result of debt-related expenses and construction of public improvements. The table below presents the CAB's summarized operating activities.

**Table 2 – Condensed Statement of Revenue, Expenses and Changes
in Net Position
Year Ended December 31, 2021**

Program Revenues	\$ 997,616
Nonoperating Revenues	2,926
Total Revenues	<u>1,000,542</u>
Operating Expenses	902,256
Interest and Debt-Related Expenses	2,032,398
Conveyance of Capital Assets	5,710,157
Total Expenses	<u>8,644,811</u>
Change in Net Position	(7,644,269)
Beginning Net Position	(2,683,707)
Ending Net Position	<u><u>\$ (10,327,976)</u></u>

Interest and debt-related expenses are related to the Series 2019 Bonds and Developer Advances as described in the notes to the basic financial statements.

Capital Asset Activity

The CAB's capital assets at December 31, 2021, totaled \$34.3 million, consisting of construction in progress and Capital Assets, Being Depreciated. Capital asset additions in 2021 were \$4.5 million, the majority of which related to public improvements at Sky Ranch. Capital assets of \$5.7 million constructed by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities were removed from the District's financial records.

Long-Term Obligations

As of December 31, 2021, the CAB had outstanding debts in the form of bonds and advances totaling \$43.5 million. Detailed information on the CAB's long-term obligations is presented in Note 5 of the financial statements.

**SKY RANCH COMMUNITY AUTHORITY BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021**

REQUESTS FOR INFORMATION

These financial statements are designed to provide a general overview of the CAB's finances. Questions concerning any of the information provide in this report or requests for additional information should be addressed to:

Sky Ranch Community Authority Board
8390 E Crescent Pkwy, Ste. 300
Greenwood Village, CO 80111
Cathee.Sutton@claconnect.com

BASIC FINANCIAL STATEMENTS

**SKY RANCH COMMUNITY AUTHORITY BOARD
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 299,440
Cash and Investments - Restricted	1,766,371
Prepaid Expenses	7,660
Accounts Receivable	24,098
Due from Sky Ranch Metropolitan Districts Nos. 1 and 5	2,869
Deposits - SEMSWA	175,848
Capital Assets, Not Being Depreciated	28,500,507
Capital Assets, Net of Accumulated Depreciation	5,782,371
Total Assets	36,559,164
LIABILITIES	
Accounts Payable	2,859,757
Retainage Payable	325,888
Accrued Interest Payable - Bonds	238,281
Long-Term Liabilities:	
Due in More Than One Year	43,463,214
Total Liabilities	46,887,140
NET POSITION	
Net Investment in Capital Assets	(15,254,353)
Restricted For:	
Emergency Reserves	18,200
Debt Service	228,740
Unrestricted	4,679,437
Total Net Position	\$ (10,327,976)

See accompanying Notes to Basic Financial Statements.

(1)

**SKY RANCH COMMUNITY AUTHORITY BOARD
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Capital Grants and Contributions</u>	<u>Net Revenues (Expenses) and Change in Net Position</u>
FUNCTIONS/PROGRAMS		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Governmental Activities</u>
Primary Government:					
Governmental Activities:					
General Government	\$ 902,256	\$ 324,097	\$ 275,653	\$ 61,219	\$ (241,287)
Interest and Related Costs on Long-Term Debt	2,032,398	-	336,647	-	(1,695,751)
Conveyance of Capital Assets to Other Governments	5,710,157	-	-	-	(5,710,157)
Total Governmental Activities	<u>\$ 8,644,811</u>	<u>\$ 324,097</u>	<u>\$ 612,300</u>	<u>\$ 61,219</u>	(7,647,195)
GENERAL REVENUES					
Net Investment Income					181
Other Revenue					2,745
Total General Revenues					<u>2,926</u>
CHANGE IN NET POSITION					(7,644,269)
Net Position - Beginning of Year, as Restated					<u>(2,683,707)</u>
NET POSITION - END OF YEAR					<u>\$ (10,327,976)</u>

See accompanying Notes to Basic Financial Statements.

**SKY RANCH COMMUNITY AUTHORITY BOARD
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General	Operations and Maintenance	Debt Service	Capital Projects	Regional Improvements	Total Governmental Funds
ASSETS						
Cash and Investments	\$ 124,650	\$ 174,790	\$ -	\$ -	\$ -	\$ 299,440
Cash and Investments - Restricted	8,300	9,900	1,666,100	23,357	58,714	1,766,371
Prepaid Expenses	7,660	-	-	-	-	7,660
Accounts Receivable	3,774	20,324	-	-	-	24,098
Due from Sky Ranch Metropolitan Districts Nos. 1 and 5	746	-	1,796	-	327	2,869
Deposits - SEMSWA	-	-	-	175,848	-	175,848
Total Assets	<u>\$ 145,130</u>	<u>\$ 205,014</u>	<u>\$ 1,667,896</u>	<u>\$ 199,205</u>	<u>\$ 59,041</u>	<u>\$ 2,276,286</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ 37,666	\$ 54,913	\$ -	\$ 2,767,178	\$ -	\$ 2,859,757
Retainage Payable	-	-	-	325,888	-	325,888
Total Liabilities	<u>37,666</u>	<u>54,913</u>	<u>-</u>	<u>3,093,066</u>	<u>-</u>	<u>3,185,645</u>
FUND BALANCES						
Nonspendable:						
Prepaid Expenses	7,660	-	-	-	-	7,660
Restricted For:						
Emergency Reserve	8,300	9,900	-	-	-	18,200
Debt Service	-	-	1,667,896	-	-	1,667,896
Regional Improvements	-	-	-	-	59,041	59,041
Assigned:						
Subsequent Year's Expenditures	-	124,000	-	-	-	124,000
Unassigned:						
General Government	91,504	16,201	-	-	-	107,705
Capital Projects	-	-	-	(2,893,861)	-	(2,893,861)
Total Fund Balances	<u>107,464</u>	<u>150,101</u>	<u>1,667,896</u>	<u>(2,893,861)</u>	<u>59,041</u>	<u>(909,359)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 145,130</u>	<u>\$ 205,014</u>	<u>\$ 1,667,896</u>	<u>\$ 199,205</u>	<u>\$ 59,041</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets, Not Being Depreciated 34,282,878

Long-term liabilities are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.

Bonds Payable	(13,195,000)
Bonds Premium Payable	(276,924)
Accrued Interest Payable - Bonds	(238,281)
Developer Advance Payable	(25,920,007)
Developer Advance Payable - Project Management	(1,942,111)
Accrued Interest Payable - Developer Advances	<u>(2,129,172)</u>

Net Position of Governmental Activities \$ (10,327,976)

See accompanying Notes to Basic Financial Statements.

(3)

SKY RANCH COMMUNITY AUTHORITY BOARD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	General	Operations and Maintenance	Debt Service	Capital Projects	Regional Improvements	Total Governmental Funds
REVENUES						
Public Improvement Fees	\$ 135,815	\$ -	\$ -	\$ -	\$ -	\$ 135,815
Transfer from Sky Ranch District No. 1	67,325	-	336,647	-	61,219	465,191
Transfer from Sky Ranch District No. 5	72,513	-	-	-	-	72,513
O&M Fees	-	304,997	-	-	-	304,997
Administrative Fees	-	19,100	-	-	-	19,100
Other Revenue	-	2,745	-	-	-	2,745
Net Investment Income	-	-	181	-	-	181
Total Revenues	<u>275,653</u>	<u>326,842</u>	<u>336,828</u>	<u>-</u>	<u>61,219</u>	<u>1,000,542</u>
EXPENDITURES						
General	307,843	-	-	144,966	2,178	454,987
Operations and Maintenance	-	299,003	-	-	-	299,003
Debt Service	-	-	674,631	-	-	674,631
Capital Projects	-	-	-	10,375,927	-	10,375,927
Total Expenditures	<u>307,843</u>	<u>299,003</u>	<u>674,631</u>	<u>10,520,893</u>	<u>2,178</u>	<u>11,804,548</u>
EXCESS OF REVENUES OVER (UNDER)						
EXPENDITURES	(32,190)	27,839	(337,803)	(10,520,893)	59,041	(10,804,006)
OTHER FINANCING SOURCES (USES)						
Developer Advances	-	-	-	7,659,381	-	7,659,381
Developer Advances - Project Management	-	-	-	572,789	-	572,789
Repay Developer Advances	-	-	-	(400,000)	-	(400,000)
Transfers from Other Funds	-	-	-	400,000	-	400,000
Transfers to Other Funds	(400,000)	-	-	-	-	(400,000)
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>-</u>	<u>-</u>	<u>8,232,170</u>	<u>-</u>	<u>7,832,170</u>
NET CHANGE IN FUND BALANCES	(432,190)	27,839	(337,803)	(2,288,723)	59,041	(2,971,836)
Fund Balances (Deficits) - Beginning of Year	539,654	122,262	2,005,699	(605,138)	-	2,062,477
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 107,464</u>	<u>\$ 150,101</u>	<u>\$ 1,667,896</u>	<u>\$ (2,893,861)</u>	<u>\$ 59,041</u>	<u>\$ (909,359)</u>

See accompanying Notes to Basic Financial Statements.

(4)

DRAFT, NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

SKY RANCH COMMUNITY AUTHORITY BOARD
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

Net Change in Fund Balances - Governmental Funds \$ (2,971,836)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay	10,375,927
Current Year Depreciation	148,266
Conveyance of Capital Assets to Other Governments	(5,710,157)

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:

Developer Advances	(7,659,381)
Developer Advances - Project Management	(572,789)

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.

Bond Premium Amortization	14,525
Repayment of Developer Advances - Accrued Interest	400,000
Accrued Interest on Developer Advances - Change in Liability	(1,323,018)
Accrued Interest on Bonds - Change in Liability	(49,274)

Change in Net Position of Governmental Activities \$ (7,347,737)

See accompanying Notes to Basic Financial Statements.

**SKY RANCH COMMUNITY AUTHORITY BOARD
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
DECEMBER 31, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Public Improvement Fees	\$ 104,046	\$ 135,000	\$ 135,815	\$ 815
Transfer from Sky Ranch District No. 1	67,379	67,323	67,325	2
Transfer from Sky Ranch District No. 5	72,587	72,521	72,513	(8)
Total Revenues	<u>244,012</u>	<u>274,844</u>	<u>275,653</u>	<u>809</u>
EXPENDITURES				
Accounting	52,500	52,500	48,613	3,887
Audit	7,000	5,150	5,150	-
Dues and Memberships	1,500	1,930	1,930	-
Insurance	20,000	28,059	28,059	-
CAB Management	40,000	70,000	67,931	2,069
Legal	78,000	135,000	132,274	2,726
Office Supplies	200	-	-	-
Miscellaneous/Contingency	20,800	107,361	23,886	83,475
Total Expenditures	<u>220,000</u>	<u>400,000</u>	<u>307,843</u>	<u>92,157</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	24,012	(125,156)	(32,190)	92,966
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds	(60,000)	(400,000)	(400,000)	-
Total Other Financing Sources (Uses)	<u>(60,000)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(35,988)	(525,156)	(432,190)	92,966
Fund Balance - Beginning of Year	<u>512,591</u>	<u>539,654</u>	<u>539,654</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 476,603</u>	<u>\$ 14,498</u>	<u>\$ 107,464</u>	<u>\$ 92,966</u>

**SKY RANCH COMMUNITY AUTHORITY BOARD
OPERATIONS AND MAINTENANCE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Administrative Fees	\$ 25,000	\$ 19,100	\$ (5,900)
Design Review Fees	1,000	-	(1,000)
O&M Fees	302,600	304,997	2,397
Other Revenue	-	2,745	2,745
Total Revenues	<u>328,600</u>	<u>326,842</u>	<u>(1,758)</u>
EXPENDITURES			
Community Management	14,800	7,290	7,510
Covenant Control	55,300	14,590	40,710
Detention Ponds	3,000	-	3,000
Fee Billing and Collection	16,800	22,939	(6,139)
Fencing	6,000	-	6,000
Holiday Lights	-	7,436	(7,436)
Landscaping	105,500	96,927	8,573
Legal	-	3,341	(3,341)
Mailboxes	6,000	18,821	(12,821)
Monuments	3,000	-	3,000
Operations and Maintenance Reserve	36,268	-	36,268
Parks and Trails	34,150	-	34,150
Pet Stations	-	4,552	(4,552)
Repairs and Maintenance	-	-	-
Snow Removal	-	1,660	(1,660)
Status Letter Processing	15,000	10,877	4,123
Utilities	117,000	106,770	10,230
Contingency	15,130	3,800	11,330
Total Expenditures	<u>427,948</u>	<u>299,003</u>	<u>128,945</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(99,348)	27,839	127,187
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	<u>60,000</u>	-	<u>(60,000)</u>
Total Other Financing Sources (Uses)	<u>60,000</u>	-	<u>(60,000)</u>
NET CHANGE IN FUND BALANCE	(39,348)	27,839	67,187
Fund Balance - Beginning of Year	<u>46,456</u>	<u>122,262</u>	<u>75,806</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,108</u>	<u>\$ 150,101</u>	<u>\$ 142,993</u>

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 DEFINITION OF REPORTING ENTITY

The Sky Ranch Community Authority Board (the CAB) is a political subdivision and public corporation of the State of Colorado, formed pursuant to that certain 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 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 CAB 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. See Note 7 – Agreements for additional information on the CABEA.

SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the CAB 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 CAB. The effect of interfund activity has been removed from these statements. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position reports all financial and capital resources of the CAB. The difference between the assets and liabilities of the CAB 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. Other revenues 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 CAB considers revenues to be measurable and available (hence recognized at year-end) if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are service fees and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the CAB. The CAB has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The CAB reports the following major governmental funds:

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

The Operations and Maintenance Fund is used to account for fees collected and expenditures incurred in connection with operations and maintenance.

The Debt Service Fund is used to account for the resources accumulated and payments made for principal and interest on bonds issued by the CAB.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of public improvements related to all filings within the CAB Districts.

The Regional Improvements Fund is used to account for financial resources to be used for the acquisition and construction of Regional improvements related to all filings within the CAB Districts.

Budgets

In accordance with the State Budget Law, the CAB's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and financing uses level and lapses at year-end. The CAB'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.

The CAB has amended its annual budget for the year ended December 31, 2021.

Pooled Cash and Investments

The CAB follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in total cash.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Amortization

Original Issue Discount/Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Capital Assets

Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the CAB as assets with an initial, individual cost of more than \$5,000 with an economic life greater than one year. Such assets are recorded at cost if purchased or estimated cost if constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities, as well as capital assets being constructed which the CAB may operate and maintain, are recorded as construction in progress. Construction in progress is not being depreciated and is not included in the calculation of Net Investment in Capital Assets component of the CAB's net position. Depreciation begins at the time assets are placed in service.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements that will be dedicated to the other governmental entities are not depreciated. Improvements to be owned by the District are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Landscaping	20 Years
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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 (the O&M Fee Resolution), which amended and restated the Original O&M Fee Resolution and the Amended and Restated Resolution in its entirety.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O&M Fees and Administrative Fees (Continued)

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 unplatted lots, there are no O&M Fees imposed on homebuilders; (2) upon transfer of a finished lot to a homebuilder, 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.

Public Improvement Fee

PCY Holdings, LLC, the landowner of the property within the Development (the Declarant or Property Owner) caused to be recorded a Declaration of Covenants Imposing and Implementing the Sky Ranch Public Improvement Fee (the PIF Covenant), which assigned the Declarant's rights under the PIF Covenant to receive certain revenue imposed by the PIF Covenant District No. 5 or another governmental entity, such as the CAB. Under the CABEA, District No. 5 agreed to transfer its revenues, including the revenue collected under the PIF Covenant, to the CAB for the purpose of the financing, installation, construction and operations and maintenance of Public Improvements that benefit the users of, and residents within, the Service Area. 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.

Equity

Net Position

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

In the government-wide financial statements, net position may be classified into three components: net investment in capital assets, restricted and unrestricted (see Note 6).

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

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 CAB's practice to use the most restrictive classification first.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Restatement of Beginning Net Position

The CAB had restated beginning balances of net position (government-wide) as explained below:

	<u>Net Position - Government - Wide (Accrual)</u>
December 31, 2020 - as originally stated	\$ (2,738,615)
Impact of:	
1. Decreasing Developer Advances Payable for adjustment in certified costs	645,482
1a. Decreasing Capital Assets for adjustment in certified costs	(645,482)
2. Decreasing Developer Advances Payable to adjust payment of interest applied against principal	9,837
3. Decreasing Developer Advances Payable for interest expense during 2018 to 2020	45,071
December 31, 2020 - as restated	<u><u>\$ (2,683,707)</u></u>

Deficits

The Capital Projects Fund reported a deficit in the fund financial statements as of December 31, 2021. Pursuant to a funding agreement effective November 13, 2017, the deficit will be eliminated by Developer advances in 2022.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2021, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 299,440
Cash and Investments - Restricted	<u>1,766,371</u>
Total Cash and Investments	<u><u>\$ 2,065,811</u></u>

Cash and investments as of December 31, 2021, consist of the following:

Deposits with Financial Institutions	\$ 394,338
Investments	<u>1,671,473</u>
Total Cash and Investments	<u><u>\$ 2,065,811</u></u>

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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. The 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, 2021, the CAB's cash deposits had a bank balance of \$501,144 and a carrying balance of \$394,338.

Investments

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

The CAB generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the CAB 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

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2021, the CAB had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted Average Under 60 Days	<u>\$ 1,671,473</u>

COLOTRUST

The CAB invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the CAB records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 4 CAPITAL ASSETS

The following is an analysis of the changes in the CAB's capital assets for the year ended December 31, 2021:

	Balance - December 31, 2020 (as restated)	Increases	Decreases	Balance - December 31, 2021
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Construction in Progress:	\$ 29,765,374	\$ 10,375,927	\$ 11,640,794	\$ 28,500,507
Total Capital Assets, Not Being Depreciated	29,765,374	10,375,927	11,640,794	28,500,507
Capital Assets, Being Depreciated:				
Landscaping	-	5,930,637	-	5,930,637
Less Accumulated Depreciation For:				
Landscaping	-	(148,266)	-	(148,266)
Total Capital Assets, Being Depreciated, Net	-	5,782,371	-	5,782,371
Governmental Activities Capital Assets, Net	<u>\$ 29,765,374</u>	<u>\$ 16,158,298</u>	<u>\$ 11,640,794</u>	<u>\$ 34,282,878</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

<u>Governmental Activities:</u>	
General Government	\$ (148,266)
Total Depreciation Expense - Governmental Activities	<u>\$ (148,266)</u>

During 2021, a significant portion of the capital assets constructed by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities were removed from the District's financial records.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the CAB's long-term obligations for the year ended December 31, 2021:

	Balance - December 31, 2020 (as restated)	Additions	Reductions	Balance - December 31, 2021	Due Within One Year
Limited Tax Supported					
Revenue Bonds:					
Senior - Series 2019A	\$ 11,435,000	\$ -	\$ -	\$ 11,435,000	\$ -
Senior - Bond Premium	291,449	-	14,525	276,924	-
Subordinate - Series 2019B	1,760,000	-	-	1,760,000	-
Total Bonds Payable	13,486,449	-	14,525	13,471,924	-
Other Debts:					
Developer Advances	18,260,626	7,659,381	-	25,920,007	-
Developer Advances - Project Management	1,369,322	572,789	-	1,942,111	-
Accrued Interest on					
Developer Advances	1,070,067	1,229,378	400,000	1,899,445	-
Accrued Interest on					
Developer Advances - Project Management	136,087	93,640	-	229,727	-
Total Other Debts	20,836,102	9,555,188	400,000	29,991,290	-
Total	\$ 34,322,551	\$ 9,555,188	\$ 414,525	\$ 43,463,214	\$ -

Limited Tax Supported District No. 1 Bonds, Series 2019

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) financing public improvements related to the Development, (ii) paying capitalized interest on the 2019A Senior Bonds, (iii) funding a deposit to the Senior Bonds Reserve Fund, and (iv) paying 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.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax Supported District No. 1 Bonds, Series 2019 (Continued)

The CAB's long-term 2019A Senior Bonds will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2027-2031	1,145,000	2,617,250	3,762,250
2032-2036	1,675,000	2,281,250	3,956,250
2037-2041	2,350,000	1,798,000	4,148,000
2042-2046	3,250,000	1,125,000	4,375,000
2047-2049	2,470,000	252,000	2,722,000
Total	<u>\$ 11,435,000</u>	<u>\$ 10,901,000</u>	<u>\$ 22,336,000</u>

The Subordinate Bonds bear interest at 7.625% per annum and interest is 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 structured as cash flow bonds, meaning that interest payments not paid when due will accrue and compound until Subordinate Pledged Revenues are available and no regularly scheduled principal payments are due prior to maturity date. The Subordinate Bonds are subject to optional and mandatory redemption prior to maturity as described in the Subordinate Indenture.

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.

Authorized Debt

At an election held on November 6, 2018, District No. 1's eligible electors authorized District No. 1 to impose ad valorem property taxes on an annual basis not to exceed \$162,000,000, and to enter into intergovernmental agreements to share such revenue to fund public improvements.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt (Continued)

Pursuant to this electoral authority, on November 1, 2019, District No. 1 entered into a Capital Pledge Agreement with the CAB, pursuant to which District No. 1 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, 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).

District No. 1's voters also authorized the issuance of up to \$1,782,000,000 in general obligation debt for public improvements, however the District No. 1 Service Plan debt limit of \$162,000,000 constrains the total amount of debt that District No. 1 can issue.

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 \$11,435,000 Limited Tax Supported District No. 1 Senior Bonds (Tax-Exempt Fixed Rate), Series 2019A (the CAB Series 2019A Bonds) and its \$1,760,000 Limited Tax Supported District No. 1 Subordinate Bonds (Tax-Exempt Fixed Rate), Series 2019B (the CAB Series 2019B Bonds and together with the CAB Series 2019A bonds, the CAB Series 2019 Bonds), and future bond issuances by the CAB.

At an election held on November 3, 2020, the eligible electors of District Nos. 3, 4, and 5, respectively, authorized District Nos. 3, 4, and 5, respectively, to impose ad valorem property taxes on an annual basis not to exceed \$312,000,000, and to enter into intergovernmental agreements to share such revenue to fund public improvements. The eligible electors of District Nos. 3, 4, and 5, respectively, also authorized the issuance of up to \$3,432,000,000 in general obligation debt for public improvements, however the Amended and Restated Service Plans for District Nos. 3, 4, and 5, contain an aggregate debt limit of \$312,000,000, which constrains the total amount of debt those Districts can issue.

The CAB cannot issue Bonds which to exceed the Districts' Service Plan debt limits. Following the issuance of the CAB's Series 2019 Bonds, District No. 1 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 debt limit in the District No. 1 Service Plan. The remaining authorized pledge limitation under the Service Plans for District Nos. 3, 4, and 5 is \$312,000,000. The CAB's remaining debt authorization is \$298,805,000.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances

The CAB entered the Phase 1 FFAA (defined and discussed in Note 7) with Pure Cycle Corporation (the Developer), effective 2017, for the purpose of funding certain operation and maintenance expenses and construction and acquisition of public improvements in Phase 1 (see Note 7); and the Phase 2 FFAA (defined and discussed in Note 7) with Pure Cycle Corporation (the Developer), effective 2020, for the purpose of funding certain operation and maintenance expenses and construction and acquisition of public improvements in Phase 2 (see Note 7). Under the Phase 1 FFAA and the Phase 2 FFAA, interest on funds advanced or to pay for improvements accrue at 6.00% per annum. The Phase 1 FFAA and the Phase 2 FFAA do not constitute debt, but are annual appropriations agreements intended to be repaid through future bond issuances or other available revenue.

As of December 31, 2021, the outstanding balance of developer advances advanced by the Developer to the CAB under the Phase 1 FFAA and the Phase 2 FFAA is \$25,920,006, and accrued interest is \$1,899,445.

In 2017, and as amended and restated in 2020, the CAB entered into two service agreements for project management services, one with the Developer, and one with the Property Owner (see Note 7), under which the Developer or Property Owner, as applicable, provides project management services for the CAB's construction of on- and offsite CAB eligible improvements (see Note 7). The amounts owed by the CAB to the Developer or Property Owner, as applicable, under the project management services agreements accrue as developer advances under the Phase 1 FFAA or Phase 2 FFAA, as applicable (see Note 7).

As of December 31, 2021, the outstanding balance of developer advances under the project management services agreements is \$1,942,111, and accrued interest is \$229,727.

NOTE 6 NET POSITION

As of December 31, 2021, the CAB had net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2021, the District had net investment in capital assets calculated as follows:

Net Investment in Capital Assets:	
Capital Assets, Net	\$ 5,782,371
Noncurrent Portion of Long-Term Obligations	(20,895,639)
Bond Premium, Net	(141,085)
Net Investment in Capital Assets	<u>\$ (15,254,353)</u>

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 6 NET POSITION (CONTINUED)

The restricted component of net position consists of assets that are restricted for use as imposed either by external parties (i.e., creditors, grantors, or contributors) or laws and regulations of other governments or laws through constitutional provisions or enabling legislation. The CAB had restricted net position as of December 31, 2021, as follows:

Restricted Net Position:	
Emergencies	\$ 18,200
Debt Service	228,740
Total Restricted Net Position	<u>\$ 246,940</u>

NOTE 7 AGREEMENTS

Sky Ranch Community Authority Board Establishment Agreement (CABEA)

The CAB Districts exist for the purpose of designing, acquiring, constructing, installing, financing, and operating and maintaining certain street, traffic and safety controls, water, sanitation, stormwater, parks and recreation, television relay and translation, transportation, and mosquito control, all in accordance with their respective Service Plans.

Their Service Plans contemplated that the CAB Districts, with the approval of their electors would enter into the CABEA. On November 6, 2012 (for District No. 1, District No. 3, and District No. 4), and on May 6, 2012 (for District No. 5), the CAB Districts' respective qualified electors, as applicable, voted in favor of the Districts entering into the CABEA pursuant to which the CAB Districts established the CAB. District No. 3 became a party to the CABEA, and thus also became a CAB District, in 2021. District No. 4 was inactive for 2021, and it is anticipated that District No. 4 will also become a party to the CABEA in the future, at which time it would also become a CAB District. The CABEA was amended and restated on September 18, 2018, pursuant to the Amended and Restated Sky Ranch Community Authority Board Establishment Agreement, and further amended and restated on August 13, 2021, pursuant to the Second Amended and Restated Sky Ranch Community Authority Board Establishment Agreement, as the same may be amended from time to time (the CABEA). Pursuant to the CABEA, the CAB will furnish, operate, and plan for the Public Improvements and each CAB District shall transfer certain revenues to the CAB in order to fund the operation and maintenance costs and capital costs of the Public Improvements. Each CAB District has agreed, and their Service Plans provide, 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.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 7 AGREEMENTS (CONTINUED)

Phase 1 and Phase 2 Facilities Funding and Acquisition Agreements with Pure Cycle Corporation

On September 18, 2018, with an effective date of November 13, 2017, the CAB entered into the Facilities Funding and Acquisition Agreement (the Phase 1 FFAA) with the Developer, pursuant to which the Developer agrees to make advances not to exceed \$30,000,000 to the CAB the purpose of funding the construction and/or acquisition of public improvements for Phase 1. The Developer agrees to make advances under the Phase 1 FFAA on a periodic basis as needed for fiscal years 2018 through 2023. The CAB agrees to repay the advances made under the Phase 1 FFAA, pursuant to the priority established in the agreement, together with accrued simple interest at the rate of 6% per annum. The Phase 1 FFAA does not constitute debt, but is an annual appropriations agreement intended to be repaid through future bond issuances or other available revenue.

On December 17, 2020, the CAB entered into the Phase 2 Facilities Funding and Acquisition Agreement (the Phase 2 FFAA) with the Developer, pursuant to which the Developer agrees to make advances not to exceed \$50,000,000 to the CAB the purpose of funding the construction and/or acquisition of public improvements for Phase 2. The Developer agrees to make advances under the Phase 2 FFAA on a periodic basis as needed for fiscal years 2020 through 2025. The CAB agrees to repay the advances made under the Phase 2 FFAA, pursuant to the priority established in the agreement, together with accrued simple interest at the rate of 6% per annum. The Phase 2 FFAA does not constitute debt, but is an annual appropriations agreement intended to be repaid through future bond issuances or other available revenue.

Tri-Party Agreement

On September 18, 2018, with an effective date of November 13, 2017, the CAB, the Developer and District No. 5 entered into a Tri-Party Agreement (the Tri-Party Agreement), under which the parties acknowledged that, given the creation of the CAB, various previous operations and capital funding agreements between the Developer and District No. 5 (collectively, the Terminated District No. 5 Funding Agreements) would be terminated. The parties agreed that any amounts owed by District No. 5 to the Developer for previous developer advances under the Terminated District No. 5 Funding Agreements would become payable by the CAB to the Developer under the OFA and FFAA, respectively, as appropriate.

Capital Pledge Agreement

The CAB entered into a Capital Pledge Agreement with District No. 1, dated November 1, 2019, under which 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, as well as future bond issuances by the CAB.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 7 AGREEMENTS (CONTINUED)

Service Agreements for Project Management Services

On May 2, 2018, with an effective date of November 13, 2017, the CAB and Developer entered into a Service Agreement for Project Management Services (the Original PM Agreement). On May 12, 2020, with an effective date of November 13, 2017, the CAB and Developer entered into an Amended and Restated Service Agreement for Project Management Services (the Amended PM Agreement), which supersedes the Original PM Agreement in its entirety.

Also on May 2, 2018, with an effective date of November 13, 2017, the CAB and PCY Holdings, LLC (the Property Owner) entered into a Service Agreement for Project Management Services (for Improvements at Sky Ranch) (the Original Offsite PM Agreement). On May 12, 2020, with an effective date of November 13, 2017, the CAB and Property Owner entered into an Amended and Restated Service Agreement for Project Management Services (for Improvements at Sky Ranch) (the Amended Offsite PM Agreement, and together with the Amended PM Agreement, the PM Agreements), which supersedes the Original Offsite PM Agreement in its entirety.

Under the PM Agreements, the Developer or Property Owner, as applicable, agrees to provide project management services related to the CAB's installation or construction of certain on- and offsite public improvements. The cost of the project management services under the PM Agreements are 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 under the PM Agreements when due, the amounts owed by the CAB under the PM Agreements will constitute developer advances under the Phase 1 FFAA or Phase 2 FFAA, as applicable, and shall accrue interest at the same rate set forth in the Phase 1 FFAA or Phase 2 FFAA, as applicable.

1601 Interchange Agreement

On June 23, 2020, the CAB entered into the County/CAB/Developer Funding Agreement, I-70/Watkins and I-70/Monaghan 1601 Interchange Study, Arapahoe County Project Number: C-17-007, with the County and Developer (the 1601 Interchange Agreement), under which the CAB, County and Developer agreed to share costs related to studies to identify traffic impacts resulting from development in the area (the 1601 Studies) in order to assess and create the conceptual design to construct highway interchanges to serve the area. Under the 1601 Interchange Agreement, the County agreed to contribute \$1,000,000, and the CAB agreed to contribute \$500,000 to the 1601 Studies. In the event of cost overruns or cost underruns, each party will pay an additional proportionate amount or be refunded a proportional amount.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 7 AGREEMENTS (CONTINUED)

GESC Service Agreement

On March 19, 2021, following a public bid and recommendation by the CAB's independent engineer, IDES, the CAB entered into an Agreement for Filing 4 GESC Maintenance (the GESC Agreement) with the Developer, under which the Developer agreed to perform certain erosion control maintenance services for the CAB in Filing No. 4. In the event the CAB does not have sufficient revenue to pay invoices under the GESC Agreement when due, the amounts owed by the CAB under the GESC Agreement will constitute developer advances under the Phase 1 FFAA or Phase 2 FFAA, as applicable, and shall accrue interest at the same rate set forth in the Phase 1 FFAA or Phase 2 FFAA, as applicable.

NOTE 8 RELATED PARTIES

The Developer of the property within the CAB Districts is Pure Cycle Corporation (Pure Cycle), and the title of the property is held under the Property Owner, which is a wholly-owned subsidiary of Pure Cycle. The Developer has advanced funds to the CAB. Some of the members of the Board of Directors of the CAB and the CAB 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 CAB District. As and when required by law, each affected Board member files a written disclosure of any potential conflicts of interest with the CAB District and the Colorado Secretary of State, and they refrain from voting on affected matters unless allowed by law.

NOTE 9 ECONOMIC DEPENDENCY

The CAB has not yet established a revenue base sufficient to pay for certain capital expenditures. Until an independent revenue base is established, continuation of the CAB's financing of certain capital improvements are dependent upon Developer advances.

NOTE 10 INTERFUND TRANSFERS

The transfer from the General Fund to the Capital Projects Fund was to fund repayment of Developer advances.

**SKY RANCH COMMUNITY AUTHORITY BOARD
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 11 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S., the CAB may be 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 CAB is a member of the Colorado Special Districts Property and Liability Pool (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.

The CAB 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 12 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to 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.

The CAB'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 COMMUNITY AUTHORITY BOARD
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Net Investment Income	\$ 9,500	\$ 200	\$ 181	\$ (19)
Transfer from Sky Ranch District No. 1	336,918	336,647	336,647	-
Total Revenues	346,418	336,847	336,828	(19)
EXPENDITURES				
Bond Interest	520,293	667,131	667,131	-
Paying Agent Fees	5,000	7,500	7,500	-
Contingency	5,250	25,369	-	25,369
Total Expenditures	530,543	700,000	674,631	25,369
NET CHANGES IN FUND BALANCE	(184,125)	(363,153)	(337,803)	25,350
Fund Balance - Beginning of Year	2,008,868	2,005,699	2,005,699	-
FUND BALANCE - END OF YEAR	\$ 1,824,743	\$ 1,642,546	\$ 1,667,896	\$ 25,350

**SKY RANCH COMMUNITY AUTHORITY BOARD
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
General:			
Legal	200,000	144,966	55,034
Promotional Activities	105,000	-	105,000
Capital Projects:			
Capital Outlay	11,733,599	9,803,138	1,930,461
Project Management Fee	549,180	572,789	(23,609)
Total Expenditures	<u>12,927,779</u>	<u>10,520,893</u>	<u>2,406,886</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(12,927,779)	(10,520,893)	2,406,886
OTHER FINANCING SOURCES (USES)			
Developer Advances	12,378,599	7,659,381	(4,719,218)
Developer Advances - Project Management	549,180	572,789	23,609
Repay Developer Advances	-	(400,000)	(400,000)
Transfers from Other Funds	-	400,000	400,000
Total Other Financing Sources (Uses)	<u>12,927,779</u>	<u>8,232,170</u>	<u>(4,695,609)</u>
NET CHANGES IN FUND BALANCE	-	(2,288,723)	(2,288,723)
Fund Balance (Deficit) - Beginning of Year	-	(605,138)	(605,138)
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ -</u>	<u>\$ (2,893,861)</u>	<u>\$ (2,893,861)</u>

**SKY RANCH COMMUNITY AUTHORITY BOARD
REGIONAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Transfer from Sky Ranch District No. 1	\$ 61,282	\$ 61,219	\$ (63)
Total Revenues	<u>61,282</u>	<u>61,219</u>	<u>(63)</u>
EXPENDITURES			
Legal	-	2,178	(2,178)
Contingency	61,282	-	61,282
Total Expenditures	<u>61,282</u>	<u>2,178</u>	<u>59,104</u>
NET CHANGES IN FUND BALANCE	-	59,041	59,041
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 59,041</u>	<u>\$ 59,041</u>

OTHER INFORMATION

SKY RANCH COMMUNITY AUTHORITY BOARD
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2021

<u>Year Ending December 31,</u>	\$11,435,000 Limited Tax Supported District No. 1 Senior Bonds Series 2019A Dated November 19, 2019 Principal Due December 1, Interest Rate of 5.00% Payable June 1 and December 1		
<u>Bonds and Interest Maturing in the Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
Total	\$ 11,435,000	\$ 10,901,000	\$ 22,336,000

Sky Ranch CAB – Project Manager Board Report

Date: 06/10/22

DESIGN AND CONSTRUCTION

Status Report and Progress Updates

Phase I

- Grading, Utilities and Streets – final acceptance punch list repairs
- Landscaping – install complete; working on punch list and turnover
- Maintaining SEMSWA and Urban Drainage compliance – performing channel and pond maintenance; working with SEMSWA on final acceptance

Phase II

- GDP, SDP, Filing 4 Plans – complete
- ASP/Plat/CDs – Filing 5 third submittal including temp fire station
- Grading – Quad 1 complete; Quad 2 complete; School site complete
- Utilities – water services, pond structures, 10th Ave, 8th Ave extension
- Streets – portion of internal streets paved; concrete install ongoing; prep on 6th and Monagahn
- I70 Interchange – updated access permit from CDOT
- School status – programming public (District) infrastructure

BUDGET

- Budget review – no changes

CONTRACTS, CHANGE ORDERS AND TASK ORDERS

Phase I

Phase II

- KT Engineering, TO8 \$8,275.00 – dry utility staking and misc staking
- Nelson
 - CO 9999.023, \$52,783.00 – added bedding per Rangeview
 - CO 9999.024, \$31,044.00 – MLL field changes to detention pond/structures

Sky Ranch Filing 1 - CAB Contract Summary

Activity Description	Vendor	Total Contracts	Total Invoices	Total Retainage	Total Reimbursable	% Complete	Remaining to Spend	Management Fee
Landscaping	A-Mac Underground	4,500.00	4,500.00	0.00	4,500.00	100%	0.00	225.00
Fees, Permits and Administration	Arapahoe County	127,100.45	127,100.45	0.00	104,516.31	100%	0.00	0.00
Legal and Title	Butler Snow	425.17	425.17	0.00	0.00	100%	0.00	0.00
Erosion Control	CMS	20,000.00	19,965.00	0.00	16,417.47	100%	35.00	998.25
Geotech	CTL Thompson	446,630.50	446,630.50	0.00	367,269.91	100%	0.00	22,331.53
Engineering	CVL Consultants	69,025.91	69,025.91	0.00	56,760.88	100%	0.00	0.00
Landscaping	Environmental Designs	3,542,915.92	3,542,915.92	422.76	3,542,915.92	100%	0.00	177,145.80
Engineering	ERO Resources Group	580.35	580.35	0.00	477.23	100%	0.00	0.00
Erosion Control	Erosion Controls of CO	70,964.58	70,964.58	0.00	58,355.07	100%	0.00	3,548.23
Erosion Control	Ewing Irrigation & Landscape	1,163.14	1,163.14	0.00	956.46	100%	0.00	58.16
Legal and Title	Hoffman, Parker, etc	8,304.06	8,304.06	0.00	0.00	100%	0.00	0.00
District	IDES	250,000.00	247,881.50	0.00	203,836.09	99%	2,118.50	0.00
Survey	KT Engineering	551,870.00	551,870.00	0.00	453,809.68	100%	0.00	27,593.50
District	McGeady Becher	59,359.80	59,359.80	0.00	48,812.31	100%	0.00	0.00
Landscaping	MPI Designs	30,770.00	22,600.00	0.00	22,600.00	73%	8,170.00	1,130.00
Legal and Title	Otis Bedingfield & Peters	235.00	235.00	0.00	0.00	100%	0.00	0.00
Erosion Control	PEI	16,892.56	16,892.56	844.63	13,890.97	100%	0.00	0.00
Grading	PEI	1,584,766.81	1,584,766.81	0.00	824,078.74	100%	0.00	79,010.69
Sanitary Sewer	PEI	2,497,934.50	2,497,934.50	(3,868.07)	2,497,934.50	100%	0.00	78,825.68
Water	PEI	2,413,879.89	2,413,879.89	(897.74)	2,415,195.49	100%	0.00	76,042.07
Storm Sewer	PEI	5,159,331.74	5,159,331.74	5,289.30	5,159,331.74	100%	0.00	163,192.18
Dry Utilities	PEI	196,156.66	196,156.66	(523.49)	0.00	100%	0.00	3,540.71
Concrete	PEI	3,648,101.78	3,648,101.78	(65,040.91)	3,648,101.78	100%	0.00	0.00
Asphalt	PEI	5,159,994.54	5,159,994.54	64,196.28	5,159,994.54	100%	0.00	0.00
District	SDMS	57,885.08	57,885.08	0.00	47,599.64	100%	(0.00)	0.00
Fees, Permits and Administration	SEMSWA	36,322.50	36,322.50	0.00	29,868.45	100%	0.00	0.00
District	Sentinel	0.00	0.00	0.00	0.00	0%	0.00	0.00
District	Sentinel	556.57	556.57	0.00	457.67	100%	0.00	0.00
Legal and Title	Spencer Fane	228.00	228.00	0.00	0.00	100%	0.00	0.00
Dry Utilities	Xcel Energy	2,370,226.52	2,370,226.52	0.00	597,189.14	100%	0.00	118,511.33
Total		28,321,622.03	28,311,298.53	422.76	25,270,370.01		10,323.50	751,928.12

Sky Ranch Filing 2 Quad 1 - CAB Contracts Summary

Activity Description	Vendor	Total Contracts	Total Invoices	Total Retainage	Total Reimbursable	% Complete	Remaining to Spend
Planning and Engineering	Aquatech	4,212.00	-	-	-	0%	4,212.00
Fees, Permits and Administration	Arapahoe County	101,439.27	101,439.27	-	83,413.51	100%	-
Grading	Bemas	934,095.09	934,095.10	-	485,729.45	100%	(0.01)
Fees, Permits and Administration	CDPHE	296.09	296.09	-	243.47	100%	-
Erosion Control	CMS	5,467.50	2,133.88	-	1,754.71	39%	3,333.62
Geotech	Cole Garner	836.50	-	-	-	0%	836.50
Fees, Permits and Administration	Colorado Geological Survey	123.02	123.02	-	101.16	100%	-
Geotech	CTL Thompson	257,368.95	194,450.73	-	159,899.29	76%	62,918.22
Planning and Engineering	CVL Consultants	337,192.20	317,986.52	-	261,480.32	94%	19,205.68
Planning and Engineering	David Evans	1,755.00	-	-	-	0%	1,755.00
Planning and Engineering	ERC	4,289.22	2,129.48	-	1,751.08	50%	2,159.74
Planning and Engineering	ERO	1,956.13	1,956.13	-	1,608.52	100%	0.00
District	IDES	27,000.00	25,309.35	-	-	94%	1,690.66
Survey	KT Engineering	266,951.00	205,362.55	-	170,546.66	77%	61,588.45
Planning and Engineering	LSC	17,793.00	13,041.04	-	10,723.64	73%	4,751.96
Asphalt	Martin Marietta	3,719,174.73	959,081.45	47,954.07	959,081.45	26%	2,760,093.28
Legal Title	McGeady Becher	61.99	61.99	-	-	100%	-
Planning and Engineering	MPI Designs	14,131.25	11,547.25	-	9,495.30	82%	2,584.00
Sanitary Sewer	Nelson	1,613,347.33	1,550,590.99	41,842.45	1,550,590.99	96%	62,756.34
Water	Nelson	1,451,153.78	1,413,484.35	39,311.95	1,413,484.35	97%	37,669.43
Storm Sewer	Nelson	3,514,489.90	3,445,934.00	94,217.57	3,445,934.00	98%	68,555.90
Asphalt	Nelson	707,856.20	707,856.20	35,392.81	707,856.20	100%	-
Planning and Engineering	PCS Group	119,070.00	105,694.43	-	86,912.53	89%	13,375.57
Concrete	PEI	1,956,120.69	1,101,362.13	55,068.11	1,101,362.13	56%	854,758.56
Erosion Control	Pure Cycle GESC	498,525.85	154,019.15	7,700.96	126,651.90	31%	344,506.70
Fees, Permits and Administration	Rangeview	24,565.00	24,565.00	-	20,199.80	100%	-
Fees, Permits and Administration	SEMSWA	17,473.11	17,473.11	-	14,368.14	100%	-
District	Sentinel	174.71	174.71	-	174.71	100%	-
Planning and Engineering	Studio DH	1,350.00	1,350.00	-	1,350.00	100%	-
Planning and Engineering	Studio Lightning	6,205.00	2,890.00	-	2,376.45	47%	3,315.00
Fees, Permits and Administration	Tri-County Health	129.60	129.60	-	106.57	100%	-
Planning and Engineering	Underground Consulting	270.00	270.00	-	222.02	100%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
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-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
Total		15,604,874.11	11,294,807.50	321,487.92	10,617,418.35	24	4,310,066.60

SKY RANCH COMMUNITY AUTHORITY BOARD

Board Meeting Project Status June 13th, 2022

Construction Contract Documents

Filing 4 Paving – Martin Marietta

Recommend Approval:

Change Orders

- None

Pay Applications

- Pay Application #6 is recommended for payment \$51,026.06 (\$536,869.54 District; \$0.00 Non-District; \$26,843.48 Retained)
 - \$1,665,200.66 Billed to Date. \$83,260.03 Retained. \$1,581,940.63 Paid to Date.

Filing 4 Concrete – Premier Earthworks & Infrastructure

Recommend Approval:

Change Orders

- None

Pay Applications

- Pay Application #6 is recommended for payment \$76,981.00 (\$81,032.64 District; \$0.00 Non-District; \$4,051.64 Retained)
 - \$1,376,751.80 Billed to Date. \$68,837.65 Retained. \$1,307,915.15 Paid to Date.

Filing 4 Erosion Control – Pure Cycle

Recommend Approval:

Change Orders

- None

Pay Applications

- None

Filing 4 Fence Installation – Pure Cycle

Recommend Approval:

Change Orders

- None

Pay Applications

- None

Filing 4 Wet Utilities – Nelson Pipeline

Recommend Approval:

Change Orders

- Change Order #11: \$31,043.61 for associated with 5 (five) change orders for work completed by MLL Inc. (a subcontractor to Nelson Pipeline) for storm infrastructure.
- Change Order #12: \$52,783.44 for costs associated with installation of additional Aurora Bedding in water and sanitary trenches.

Pay Applications

- Pay Application #13 is recommended for payment \$521,361.86 (\$468,809.21 District; \$79,992.75 Non-District; \$27,440.10 Retained).
 - \$8,922,761.40 Billed to Date. \$275,398.67 Retained. \$8,647,362.73 Paid to Date.

Cost Certification Reports

Filing 1-3

- Cost Certification Report #4 certifies \$46,717.11 in Verified Costs

Filing 4-7

- Cost Certification Report #3 certifies \$158,167.27 in Verified Costs

Other Matters

- Discuss revising warranty period requirement for Filing 4 Landscape project from 2-year duration to 1-year period from district initial acceptance.
- Filing 4 Landscape Bids were due to IDES on Friday, June 10th at 1PM MST. A Bid Analysis will be prepared and presented at the next Board meeting.

Sky Ranch Community Authority Board

Contractors Change Order Log Paid-To-Date Summary

Contractor	Change Orders	Total Contract Amount	Amount Billed	Remaining
PEI - Grading	10	\$1,580,213.82	\$1,580,213.82	\$0.00
PEI - Drainage & Utilities	28	\$10,259,670.46	\$10,259,670.46	\$0.00
PEI - Roadways	20	\$8,803,411.96	\$8,803,411.96	\$0.00
PEI - G, U, R	4	\$50,000.00	\$50,000.00	\$0.00
EDI - Landscape P1	30	\$2,076,304.28	\$2,076,304.28	\$0.00
EDI - Landscape P2	4	\$169,603.96	\$169,603.96	\$0.00
EDI - Landscape P3	18	\$1,296,483.38	\$1,296,483.38	\$0.00
BEMAS - Grading A&D P1	7	\$1,868,190.18	\$1,868,190.18	\$0.00
BEMAS - Grading A&D P2	0	\$819,045.20	\$0.00	\$819,045.20
Pure Cycle - EC F4	2	\$586,501.00	\$172,139.05	\$414,361.95
Pure Cycle - Fence F4	0	\$262,543.79	\$0.00	\$262,543.79
Nelson - F4 Wet Utilities	10	\$8,959,803.40	\$8,126,000.87	\$833,802.53
Martin Marietta - F4 Paving	7	\$4,375,499.67	\$1,071,914.56	\$3,303,585.11
PEI - F4 Concrete & SS	1	\$2,301,318.45	\$1,230,934.14	\$1,070,384.31
Total		\$43,408,589.55	\$36,704,866.66	\$6,703,722.89

Sky Ranch Community Authority Board Summary of Contract Changes

Change Order Log

#	Contractor	Original Contract Amount	Days	Executed CO's		New Contract	
				Amount	Days	Amount	Days
1	PEI - Grading	\$1,418,885.53	0	\$161,328.29	39	\$1,580,213.82	39
2	PEI - Drainage & Utilities	\$8,971,057.30	0	\$1,288,613.16	113.5	\$10,259,670.46	113.5
3	PEI - Roadways	\$8,368,649.67	0	\$434,762.29	59	\$8,803,411.96	59
4	PEI - G, U, R	\$0.00	0	\$50,000.00	0	\$50,000.00	0
5	EDI - Landscape Ph 1	\$1,633,252.04	96	\$443,052.24	174	\$2,076,304.28	270
6	EDI - Landscape Ph 2	\$155,431.26	210	\$14,172.70	3	\$169,603.96	213
7	EDI - Landscape Ph 3	\$1,293,395.48	210	\$3,087.90	73	\$1,296,483.38	283
8	Bemas - Grading A&D P1	\$1,574,333.75	44	\$293,856.43	12	\$1,868,190.18	56
9	Bemas - Grading A&D P2	\$819,045.20	26	\$0.00	0	\$819,045.20	26
10	Pure Cycle - EC F4	\$467,001.00	0	\$119,500.00	0	\$586,501.00	0
11	Pure Cycle - Fence F4	\$262,543.79	0	\$0.00	0	\$262,543.79	0
12	Nelson - F4 Wet Utilities	\$7,376,353.00	165	\$1,583,450.40	41.5	\$8,959,803.40	206.5
13	Martin Marietta - F4 Paving	\$4,700,851.60	129	-\$325,351.93	0	\$4,375,499.67	129
14	PEI - F4 Concrete & SS	\$2,267,308.82	129	\$34,009.63	0	\$2,301,318.45	129
15							
	Total	\$39,308,108.44		\$4,100,481.11		\$43,408,589.55	

Potential Change Order Log

#	Contractor	Current Contract	Days	Potential Change Orders		Potential Contract	
				Amount	Days	Amount	Days
1	PEI - Grading	\$1,580,213.82	39	\$0.00	0	\$1,580,213.82	39
2	PEI - Drainage & Utilities	\$10,259,670.46	113.5	\$0.00	0	\$10,259,670.46	113.5
3	PEI - Roadways	\$8,803,411.96	59	\$61,898.30	5	\$8,865,310.26	64
4	PEI - G, U, R	\$50,000.00	0	\$0.00	0	\$50,000.00	0
5	EDI - Landscape P1	\$2,076,304.28	270	\$291,581.11	123.5	\$2,367,885.39	393.5
6	EDI - Landscape P2	\$169,603.96	213	\$8,197.43	4	\$177,801.39	217
7	EDI - Landscape P3	\$1,296,483.38	283	\$61,305.89	20	\$1,357,789.27	303
8	Bemas - Grading A&D P1	\$1,868,190.18	56	\$0.00	0	\$1,868,190.18	56
9	Bemas - Grading A&D P2	\$819,045.20	26	\$0.00	0	\$819,045.20	26
10	Pure Cycle - EC F4	\$586,501.00	0	\$0.00	0	\$586,501.00	0
11	Pure Cycle - Fence F4	\$262,543.79	0	\$0.00	0	\$262,543.79	0
12	Nelson - F4 Wet Utilities	\$7,376,353.00	206.5	\$83,827.05	1.1	\$7,460,180.05	207.6
13	Martin Marietta - F4 Paving	\$4,700,851.60	129	\$0.00	0	\$4,700,851.60	129
14	PEI - F4 Concrete & SS	\$2,267,308.82	129	\$163,864.40	10	\$2,431,173.22	139
15							
	Total	\$42,116,481.45		\$670,674.18		\$42,787,155.63	
				Potential Total of All Change Orders		\$670,674.18	

Force Account Log

#	Contractor	Original Amount	Change	New Balance
1	PEI - Grading	\$0.00	\$0.00	\$0.00
2	PEI - Drainage & Utilities	\$0.00	\$0.00	\$0.00
3	PEI - Roadways	\$0.00	\$0.00	\$0.00
4	PEI - G, U, R	\$0.00	\$0.00	\$0.00
5	EDI - Landscape P1	\$0.00	\$0.00	\$0.00
6	EDI - Landscape P2	\$0.00	\$0.00	\$0.00
7	EDI - Landscape P3	\$0.00	\$0.00	\$0.00
8	Bemas - Grading A&D P1	\$0.00	\$0.00	\$0.00
9	Bemas - Grading A&D P2	\$0.00	\$0.00	\$0.00
10	Pure Cycle - EC F4	\$0.00	\$0.00	\$0.00
11	Nelson - F4 Wet Utilities	\$0.00	\$0.00	\$0.00
12	Martin Marietta - F4 Paving	\$0.00	\$0.00	\$0.00
13	PEI - F4 Concrete & SS	\$0.00	\$0.00	\$0.00
14				
	Total		\$0.00	\$0.00

Sky Ranch Community Authority Board Cost Certification Report



**Filings #1-3 - Report #4
June 2022**



1626 Cole Blvd, Suite 125
Lakewood, CO 80401

Sky Ranch Community Authority Board Cost Certification Report

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June 13, 2022

Sky Ranch Community Authority Board
 c/o Suzanne Meintzer
 McGeady Becher, P.C.
 450 E 17th Avenue, Suite 400
 Denver, CO 80203-1254

SKY RANCH COMMUNITY AUTHORITY BOARD – FILINGS #1-3 COST CERTIFICATION REPORT #4

INTRODUCTION

Independent CAB Engineering Services, LLC (Engineer) was hired by the Sky Ranch Community Authority Board (CAB) to provide review of expenditures paid by Pure Cycle Corporation (Developer) and inclusion of CAB expenditures. This is to summarize and report the expenditures for the Sky Ranch development located in the County of Arapahoe, Colorado (Project). This Cost Certification report summarizes the Engineer's approach and findings for the Project.

The Construction Related Expenses (Construction Related Expenses) for public improvements discussed in this report were paid for by the Developer and are being certified as Verified Costs (Verified Costs) in the amount of **\$135.00**. The Construction Related Expenses paid for directly by the CAB were also reviewed as part of this report and are certified as Verified Costs in the amount of **\$115,679.11** for a total Verified Cost amount of **\$115,814.11**.

This report generally covers the areas shown on Attachment A. The Verified Costs certified in this report mostly cover parks & recreation, street, and storm improvements as well as associated soft costs in Filings 1-3.

GOVERNING DOCUMENTS

The following governing documents were used in determining recommendations for Verified Costs:

- Modified Service Plan for Sky Ranch Metropolitan District No. 1, by McGeady Sisneros, P.C., dated September 14th, 2004
- Facilities Funding and Acquisition Agreement, by and between Sky Ranch Community Authority Board and Pure Cycle Corporation, dated November 13th, 2017.
- Subdivision Improvement Agreement and Restriction on Conveyance, between PCY Holdings, LLC and Board of County Commissioners of Arapahoe County, dated July 13th, 2018.
- Sky Ranch Subdivision Filing No. 1 Final Plat, by CVL Consultants of Colorado, Inc., dated June 25th, 2018.
- Sky Ranch Subdivision Filing No. 2 Final Plat, by CVL Consultants of Colorado, Inc., dated May 29th, 2019.
- Sky Ranch Subdivision Filing No. 3 Plat, by CVL Consultants of Colorado, Inc., revised September 30, 2020.
- Second Amended and Restated Sky Ranch Community Authority Board Establishment Agreement ("CABEA"), by and among Sky Ranch Metropolitan District Nos. 1, 3 and 5.

The Engineer used the above governing documents only as a general guideline for eligibility in certification of costs.

ACTIVITIES CONDUCTED

For this report, the following activities were performed:

- Governing documents provided by the CAB and the Developer were reviewed as the basis for recommendation for this report.
- Invoices provided by the Developer were reviewed. A summary was created and is attached as Attachment C.
- A site visit was conducted. Project improvements were photographed.
- Some contract unit items were compared to other projects constructed in the Denver Metropolitan Area.

ASSUMPTIONS

Due to the specific scope authorized for this report, the following assumptions were made.

- It is assumed that geotechnical pavement designs have been performed and followed. It is assumed materials testing was performed during construction.
- It is our understanding that the Developer will be responsible for all Storm Water Management Practice (SWMP) activities until the conditions of State and Local permits are met. No SWMP inspections or recommendations were conducted as part of this report.
- It is assumed that the contractors have obtained all SWMP permitting in the name of the Developer.
- It is our understanding that all local jurisdiction acceptances will be completed by the Developer as required by the Facilities Funding and Acquisition Agreement. The CAB shall have no obligations for local jurisdiction acceptance of infrastructure acquired by the CAB.
- It is assumed that the Developer has obtained or will obtain final unconditional lien waivers from all contractors performing work or consultants providing services for the Project. It is our recommendation these lien waivers be provided to the CAB.
- Verified Costs presented do not represent the entire contract value, but rather a portion of the costs that are attributable to public improvements as defined in the Service Plan. Construction Related Expenses that pertain to both CAB land and private lots are based on land percentage area for the project area. See Attachment C for the percentages. These percentages were used for work such as earthwork, SWMP activities, and planning.
- Construction Related Expenses that did not have enough information to be verified with this report may be verified in a future report.
- Nothing in this report shall be construed as acceptance of any public infrastructure by any governmental entity, including but not limited to the CAB. The Developer remains responsible for completing public improvements according to plan and obtaining the proper acceptance by any applicable governmental entity.
- This report was prepared with a specific scope and an elaborate analysis was not performed, but rather a realistic and reasonable analysis to estimate the public expenditures for the invoices provided. A more detailed analysis or submission of additional expenditures may result in adjustments to our cost certification.

DISCUSSION

This report consists of expenditures provided between September of 2020 and March of 2022. The improvements reviewed are generally represented in Attachments A and C.

Vendor Participation

All contractors, consultants, and vendors whose invoice information was submitted, were evaluated for their participation on the Project and services performed, materials provided, or work completed. A summary of vendor participation is included as Attachment B.

Review of Invoices and Summary of Expenditures

To provide a cost certification of CAB improvements, invoices provided by the Developer were reviewed. Invoice costs were allocated as Verified Costs or non-verified costs and a summary is included as Attachment C. Invoices provided were reviewed to determine that the work and cost value were appropriated correctly, and that proof of payment was provided. For invoices provided by the CAB, the CAB accountant provided a detailed listing. These were reviewed only to confirm they are eligible to be considered as Verified Costs to be used for bonding purposes.

SUMMARY OF EXPENDITURES BY CATEGORY AND SERVICE PLAN DIVISION

The table below provides a summary of expenditures by category and Service Plan division. The major elements of the improvements were allocated across these specific categories.

Improvement Category	Amount	Percent of Total Cost
<i>Local Improvements</i>		
Street Improvements	\$29,086.99	25.12%
Parks & Recreation	\$82,424.99	71.17%
Water	\$0.00	0.00%
Sanitary	\$0.00	0.00%
Storm Sewer	\$4,302.13	3.71%
Safety Protection	\$0.00	0.00%
<i>Regional Improvements</i>		
Regional - Street	\$0.00	0.00%
Regional - Parks	\$0.00	0.00%
Regional - Storm	\$0.00	0.00%
Total	\$115,814.11	100.00%

FIELD INVESTIGATION RESULTS

A field investigation was conducted in May 2022. Photos were taken of the Project to memorialize the construction of infrastructure and are included in Attachment D. From our visual inspection, it appears the completed improvements were constructed in a quality manner consistent with other similar projects and meeting generally accepted construction requirements.

RECOMMENDATION

In our professional opinion the Construction Related Expenses were reviewed and found to be reasonable. The Construction Related Expenses are comparable to other similar projects in Colorado. At this time and based on the information provided, the Engineer certifies the expenditures provided by the Developer as Verified Costs as shown in Attachment C and subject to the level of review presented in this report. These expenditures are certified as Verified Costs in the amount of **\$115,814.11**.

Should you have any questions or require further information please feel free to contact me.

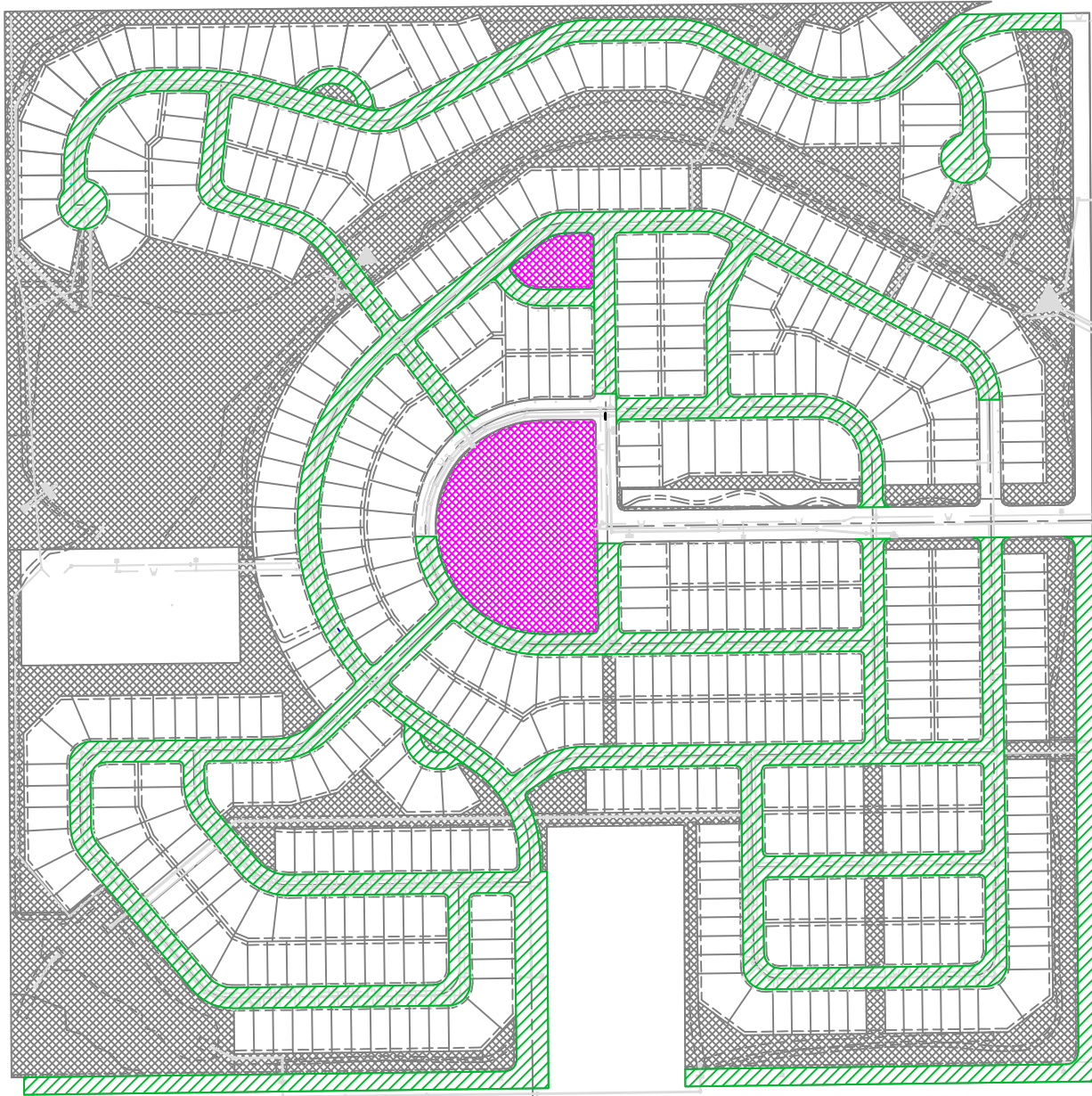
Respectfully Submitted,
Independent District Engineering Services, LLC

Barrett Marrocco, P.E.

Attachments

Attachment A

Site Map



DISTRICT ELIGIBLE EXPENSES

Improvement Category	Amount	Percent of Total Cost
<i>Local Improvements</i>		
Street Improvements	\$29,087.00	25.12%
Parks & Recreation	\$82,424.99	71.17%
Water	\$0.00	0.00%
Sanitary	\$0.00	0.00%
Storm Sewer	\$4,302.13	3.71%
Safety Protection	\$0.00	0.00%
<i>Regional Improvements</i>		
Regional - Street	\$0.00	0.00%
Regional - Parks	\$0.00	0.00%
Regional - Storm	\$0.00	0.00%
Total	\$115,814.11	100.00%



LEGEND

- STREETS (PUNCH LIST ITEMS FOR PEI)
- PARKS AND RECREATION IMPROVEMENTS

Attachment B

Vendor Participation

Attachment B

Vendor Participation

Following is a Summary of the Contractors, Consultants and Vendor Participation in work and services for the Cost Certification and Bonding Report. Notes include any invoice discrepancies, basis of payment, and basis for reimbursement.

Art and Business One Brand development firm providing community marketing services. Marketing services benefitting the developer and homebuilders were not considered eligible for CAB financing.

Builders Digital Digital marketing company posting listings in the development. Marketing for listings benefitting the builders were not considered eligible for CAB financing.

C & S Sweeping Services, Inc Sweeping services company hired by the Developer to sweep the streets on a regular basis. These Construction Related Expenses are considered operation and maintenance related in nature. These Construction Related Expenses are not considered eligible for CAB financing from the capital funds.

CMS Environmental Stormwater inspection service provider for the development. These Construction Related Expenses are considered eligible for CAB financing at the CAB site percentage since there are both public and private activities going on throughout the development.

CTL Thompson Geotechnical engineering firm who provided materials testing for the Development. Professional services that directly benefit Improvements accepted by the CAB were considered eligible for CAB financing.

Environmental Designs, Inc. Landscaping contractor for Filings #1-3. All Construction Related Expenses related to public landscaping are considered eligible for CAB financing.

Fox Rothschild Provided professional legal services directly for the Developer. Legal services Fox Rothschild provided are of private nature and therefore not eligible for CAB financing.

Fusion Sign and Design Contractor responsible for designing and installing signs related to the homebuilders. Signs are related to private sales and therefore not eligible for CAB financing.

Independent District Engineering Services Provided CAB Engineering services that include project bid, contract documents, general project administration, and cost certification for Filings #1-3. These Construction Related Expenses are eligible for CAB financing.

Innovative Database Solutions Inc Database services group responsible for contacting an email list on behalf of the CAB. These costs are not eligible for financing from the capital projects fund.

Premier Earthworks & Infrastructure Grading, utility, and roadway contractor for Filings #1-3 of the Development. Construction Related Expenses in lots are not considered eligible for CAB financing.

SEMSWA Collected fees and provided renewal of permits for Filings #1-3. These Construction Related Expenses are subject to the CAB site percentage.

Attachment C

Expenditure Data

Attachment C

Sky Ranch Community Authority Board

Engineer's Summary for Cost Certification 4 - Invoices through 4/29/22

Invoice ID	Invoice Date	Invoice Provided	Check Date	Check Number	Filing & Phase	Description	Invoiced Amount	District Eligible Expenses	Non-Eligible Expenses	Notes
Invoices paid by the Board - Filing 1										
CMS Environmental Solutions, LLC										
130417	2/1/21	Yes	3/11/22	1301	Filing 1	Stormwater Inspection	\$395.00	\$204.06	\$190.94	Site %
131689	3/1/21	Yes	3/11/22	1301	Filing 1	Stormwater Inspection	\$395.00	\$204.06	\$190.94	Site %
Subtotal CMS Environmental Solutions, LLC							\$790.00	\$408.11	\$381.89	
CTL Thompson										
614576	2/28/22	Yes	3/14/22	03AP D0001K	Filing 1	Concrete Testing	\$104.00	\$104.00	\$0.00	
Subtotal CTL Thompson							\$104.00	\$104.00	\$0.00	
Environmental Designs, Inc. - Phase 1										
Pay App #8	11/25/19	Yes	1/13/20	1088	Filing 1	Landscape Contractor	\$69,097.00	\$69,097.00	\$0.00	
Subtotal Environmental Designs, Inc. - Phase 1							\$69,097.00	\$69,097.00	\$0.00	
Environmental Designs, Inc. - Phase 3										
Pay App #16	11/25/21	Yes	12/13/21	1244	Filing 1	Landscape Contractor	\$6,034.97	\$6,034.97	\$0.00	
Pay App #17	2/25/22	Yes	4/12/22	01CBT D000C7	Filing 1	Landscape Contractor	\$2,009.59	\$1,187.54	\$822.05	
Subtotal Environmental Designs, Inc. - Phase 3							\$8,044.56	\$7,222.51	\$822.05	
Independent District Engineering Services, LLC										
09864	2/28/22	Yes	4/13/22	1308	Filing 1	District Engineer	\$8,155.00	\$8,155.00	\$0.00	
09863	1/31/22	Yes	3/11/22	1299	Filing 1	District Engineer	\$1,285.00	\$1,285.00	\$0.00	
37905	1/31/22	Yes	3/11/22	1299	Filing 1	District Engineer	\$6,320.00	\$0.00	\$6,320.00	Filing 4 Expenditure
Subtotal Independent District Engineering Services, LLC							\$15,760.00	\$9,440.00	\$6,320.00	
Premier Earthworks and Infrastructure, Inc.										
TM21001-002	1/25/22	Yes	2/10/22	1656	Filing 1	Roadways Contractor	\$18,015.44	\$18,015.44	\$0.00	
TM21001-003	2/25/22	Yes	3/11/22	1298	Filing 1	Roadways Contractor	\$8,134.45	\$7,589.55	\$544.90	Crack Seal & Concrete Patch not eligible
Subtotal Premier Earthworks and Infrastructure, Inc.							\$26,149.89	\$25,604.99	\$544.90	
Southeast Metro Stormwater Authority										
3782	3/9/22	Yes	4/13/22	1306	Filing 1	Permit Renewal Fee	\$3,802.50	\$3,802.50	\$0.00	
Subtotal Southeast Metro Stormwater Authority							\$3,802.50	\$3,802.50	\$0.00	
Subtotal Invoices paid by the Board - Filing 1							\$123,747.95	\$115,679.11	\$8,068.84	
Invoices paid by the Developer - Filing 1										
Art and Business One										
3734	2/10/22	Yes	N/A	N/A	Filing 1	Marketing Consultant	\$7,600.00	\$0.00	\$7,600.00	Marketing Not Eligible
3743	3/2/22	Yes	N/A	N/A	Filing 1	Marketing Consultant	\$552.00	\$0.00	\$552.00	Marketing Not Eligible
Subtotal Art and Business One							\$8,152.00	\$0.00	\$8,152.00	
Builders Digital Experience										
369193	1/31/22	Yes	2/11/22	01CBT D0008F	Filing 1	Marketing Consultant	\$500.00	\$0.00	\$500.00	Marketing Not Eligible
370453	2/28/22	Yes	3/10/22	01CBT D000A6	Filing 1	Marketing Consultant	\$500.00	\$0.00	\$500.00	Marketing Not Eligible
372822	3/31/22	Yes	4/11/22	01CBT D000BZ	Filing 1	Marketing Consultant	\$500.00	\$0.00	\$500.00	Marketing Not Eligible
Subtotal Builders Digital Experience							\$1,500.00	\$0.00	\$1,500.00	
C&S Sweeping Services, Inc.										
D 18299	12/31/21	Yes	2/15/22	1294	Filing 1	Street Sweeping Services	\$1,876.88	\$0.00	\$1,876.88	Review for O&M
D 18368	1/31/22	Yes	3/9/22	1695	Filing 1	Street Sweeping Services	\$895.13	\$0.00	\$895.13	Review for O&M
D 19018	2/28/22	Yes	3/24/22	1710	Filing 1	Street Sweeping Services	\$1,020.25	\$0.00	\$1,020.25	Review for O&M
D 19043	3/31/22	Yes	4/21/22	1738	Filing 1	Street Sweeping Services	\$1,836.45	\$0.00	\$1,836.45	Review for O&M
Subtotal C&S Sweeping Services, Inc.							\$5,628.71	\$0.00	\$5,628.71	
Colorado Department of Public Health & Environment										
WC221121591	1/21/22	Yes	3/2/22	1675	Filing 1	Permit Modification Fee	\$135.00	\$135.00	\$0.00	
Subtotal Colorado Department of Public Health & Environment							\$135.00	\$135.00	\$0.00	
Fox Rothschild LLP										
2607396	9/10/20	Yes	3/15/22	01CBT D00AP	Filing 1	Legal Services	\$3,091.50	\$0.00	\$3,091.50	Developer Legal not Eligible
Subtotal Fox Rothschild LLP							\$3,091.50	\$0.00	\$3,091.50	
Fusion Sign & Design										
187178	2/4/22	Yes	3/2/22	1685	Filing 1	Marketing Signs	\$861.76	\$0.00	\$861.76	Makreting not Eligible
Subtotal Fusion Sign & Design							\$861.76	\$0.00	\$861.76	
Innovative Database Solutions Inc.										
8766	2/28/22	Yes	N/A	N/A	Filing 1	Database Services	\$1,500.00	\$0.00	\$1,500.00	Not Eligible
Subtotal Innovative Database Solutions Inc.							\$1,500.00	\$0.00	\$1,500.00	
Subtotal invoices paid by the Developer - Filing 1							\$20,868.97	\$135.00	\$20,733.97	
Total invoices paid - Board and Developer - Filing 1							\$144,616.92	\$115,814.11	\$28,802.81	

Total land area is 52% District
Of District areas, Open Space Tracts are 62% of the area, Streets are 38% of the area

Attachment D

Project Photos

Sky Ranch CAB Filings 1-3 Site Photos



Private lots being developed at East 10th Drive and North Monaghan Road



Private lots along East 10th Drive



Monaghan Road frontage



Private lots being developed at East 8th Place and Monaghan Road



Big Dipper Park Bench Improvements



Big Dipper Park Bench Improvements

Sky Ranch Community Authority Board Cost Certification Report



**Filing #4 - Report #3
June 2022**



1626 Cole Blvd, Suite 125
Lakewood, CO 80401

Sky Ranch Community Authority Board Cost Certification Report

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June 13, 2022

Sky Ranch Community Authority Board
 c/o Suzanne Meintzer
 McGeady Becher, P.C.
 450 E 17th Avenue, Suite 400
 Denver, CO 80203-1254

SKY RANCH COMMUNITY AUTHORITY BOARD – FILING 4 COST CERTIFICATION REPORT #3

INTRODUCTION

Independent CAB Engineering Services, LLC (Engineer) was hired by the Sky Ranch Community Authority Board (CAB) to provide review of expenditures paid by Pure Cycle Corporation (Developer) and inclusion of CAB expenditures. This is to summarize and report the expenditures for the Sky Ranch development located in the County of Arapahoe, Colorado (Project). This Cost Certification report summarizes the Engineer's approach and findings for the Project.

The Construction Related Expenses (Construction Related Expenses) for public improvements discussed in this report were paid for by the Developer and are being certified as Verified Costs (Verified Costs) in the amount of **\$2,000,00**. The Construction Related Expenses paid for directly by the CAB were also reviewed as part of this report and are certified as Verified Costs in the amount of **\$2,277,543.70** for a total Verified Cost amount of **\$2,279,543.70**.

This report generally covers the areas shown on Attachment A. The Verified Costs certified in this report mostly cover water, sanitary, storm, parks & recreation, street, regional storm, and regional street improvements and associated soft costs in Filing 4.

GOVERNING DOCUMENTS

The following governing documents were used in determining recommendations for Verified Costs:

- Amended and Restated Service Plan for Sky Ranch Metropolitan District No. 3, by McGeady Becher P.C., dated December 8, 2020.
- Phase 2 Facilities Funding and Acquisition Agreement, by and between Sky Ranch Community Authority Board and Pure Cycle Corporation, dated December 17th, 2020.
- Subdivision Improvement Agreement and Restriction on Conveyance, between PCY Holdings, LLC and Board of County Commissioners of Arapahoe County, dated July 13th, 2018.
- Sky Ranch Subdivision Filing No. 4 Final Plat, by CVL Consultants of Colorado, Inc., recorded August 18, 2021.
- Second Amended and Restated Sky Ranch Community Authority Board Establishment Agreement ("CABEA"), by and among Sky Ranch Metropolitan District Nos. 1, 3 and 5

The Engineer used the above governing documents only as a general guideline for eligibility in certification of costs.

ACTIVITIES CONDUCTED

For this report, the following activities were performed:

- Governing documents provided by the CAB and the Developer were reviewed as the basis for recommendation for this report.
- Invoices provided by the Developer were reviewed. A summary was created and is attached as Attachment C.
- A site visit was conducted. Project improvements were photographed.

- Contact was made with Developer to verify knowledge of the work or services performed.
- Some contract unit items were compared to other projects constructed in the Denver Metropolitan Area.

ASSUMPTIONS

Due to the specific scope authorized for this report, the following assumptions were made.

- It is assumed that geotechnical pavement designs have been performed and followed. It is assumed materials testing was performed during construction.
- It is our understanding that the Developer will be responsible for all Storm Water Management Practice (SWMP) activities until the conditions of State and Local permits are met. No SWMP inspections or recommendations were conducted as part of this report.
- It is assumed that the contractors have obtained all SWMP permitting in the name of the Developer.
- It is our understanding that all local jurisdiction acceptances will be completed by the Developer as required by the Facilities Funding and Acquisition Agreement. The CAB shall have no obligations for local jurisdiction acceptance of infrastructure acquired by the CAB.
- It is assumed that the Developer has obtained or will obtain final unconditional lien waivers from all contractors performing work or consultants providing services for the Project. It is our recommendation these lien waivers be provided to the CAB.
- Verified Costs presented do not represent the entire contract value, but rather a portion of the costs that are attributable to public improvements as defined in the Service Plan. Construction Related Expenses that pertain to both CAB land and private lots are based on land percentage area for the project area. See Attachment C for the percentages. These percentages were used for work such as earthwork, SWMP activities, and planning.
- Construction Related Expenses that did not have enough information to be verified with this report may be verified in a future report.
- Nothing in this report shall be construed as acceptance of any public infrastructure by any governmental entity, including but not limited to the CAB. The Developer remains responsible for completing public improvements according to plan and obtaining the proper acceptance by any applicable governmental entity.
- This report was prepared with a specific scope and an elaborate analysis was not performed, but rather a realistic and reasonable analysis to estimate the public expenditures for the invoices provided. A more detailed analysis or submission of additional expenditures may result in adjustments to our cost certification.

DISCUSSION

This report consists of expenditures provided between July of 2020 and March of 2022. The improvements reviewed are generally represented in Attachments A and C.

Vendor Participation

All contractors, consultants, and vendors whose invoice information was submitted, were evaluated for their participation on the Project and services performed, materials provided, or work completed. A summary of vendor participation is included as Attachment B.

Review of Invoices and Summary of Expenditures

To provide a cost certification of CAB improvements, invoices provided by the Developer were reviewed. Invoice costs were allocated as Verified Costs or non-verified costs and a summary is included as Attachment C. Invoices provided were reviewed to determine that the work and cost value were appropriated correctly, and that proof of payment was provided.

For invoices provided by the CAB, the CAB accountant provided a detailed listing. These were reviewed only to confirm they are eligible to be considered as Verified Costs to be used for bonding purposes.

SUMMARY OF EXPENDITURES BY CATEGORY AND SERVICE PLAN DIVISION

The table below provides a summary of expenditures by category and Service Plan division. The major elements of the improvements were allocated across these specific categories.

CAB Improvements	Cost	Percent of Total Cost
<i>Local Improvements</i>		
Street	\$829,157.33	36.37%
Parks and Rec	\$22,711.04	1.00%
Water	\$822,132.59	36.07%
Sanitation/Storm	\$22,401.15	0.98%
Safety Protection	\$0.00	0.00%
<i>Regional Improvements</i>		
Regional Street	\$7,809.26	0.34%
Regional Stormwater	\$575,332.33	25.24%
TOTAL	\$2,279,543.70	100%

FIELD INVESTIGATION RESULTS

A field investigation was conducted in November 2021. Photos were taken of the Project to memorialize the construction of infrastructure and are included in Attachment D. From our visual inspection, it appears the completed improvements were constructed in a quality manner consistent with other similar projects and meeting generally accepted construction requirements.

RECOMMENDATION

In our professional opinion the Construction Related Expenses were reviewed and found to be reasonable. The Construction Related Expenses are comparable to other similar projects in Colorado. At this time and based on the information provided, the Engineer certifies the expenditures provided by the Developer as Verified Costs as shown in Attachment C and subject to the level of review presented in this report. These expenditures are certified as Verified Costs in the amount of **\$2,279,543.70**.

Should you have any questions or require further information please feel free to contact me.

Respectfully Submitted,
Independent CAB Engineering Services, LLC

Barrett Marrocco, P.E.

Attachments

Attachment A

Site Map

SOFT COSTS

District Improvements	Cost	Percent of Total Cost
<i>Local Improvements</i>		
Street	\$107,129.37	67.73%
Parks and Rec	\$11,789.99	7.45%
Water	\$16,847.08	10.65%
Sanitation/Storm	\$22,401.15	14.16%
Safety Protection	\$0.00	0.00%
<i>Regional Improvements</i>		
Regional Street	\$0.00	0.00%
Regional Stormwater	\$0.00	0.00%
TOTAL	\$158,167.58	100%

HARD COSTS

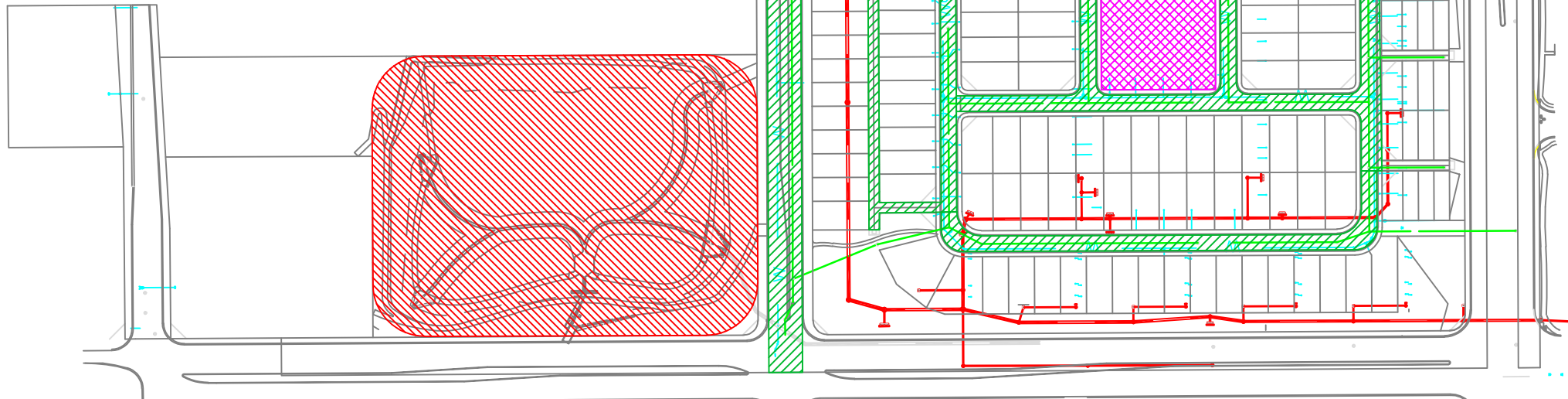
District Improvements	Cost	Percent of Total Cost
<i>Local Improvements</i>		
Street	\$722,027.96	34.04%
Parks and Rec	\$10,921.06	0.51%
Water	\$805,285.52	37.96%
Sanitation/Storm	\$0.00	0.00%
Safety Protection	\$0.00	0.00%
<i>Regional Improvements</i>		
Regional Street	\$7,809.26	0.37%
Regional Storm	\$575,332.33	27.12%
TOTAL	\$2,121,376.12	100%

LEGEND

-  STREET IMPROVEMENTS
-  PARKS & REC IMPROVEMENTS
-  REGIONAL STORM IMPROVEMENTS
-  WATER IMPROVEMENTS
-  SANITARY IMPROVEMENTS
-  STORM IMPROVEMENTS

DEFINITIONS & NOTES

- **HARD COSTS:** EXPENSES DIRECTLY RELATED TO THE PHYSICAL IMPROVEMENTS.
- **SOFT COSTS:** DESIGN, TESTING, ENGINEERING, SURVEY, FEES/PERMITS, AND OTHER COSTS NECESSARY TO COMPLETE THE PHYSICAL IMPROVEMENTS



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Attachment B

Vendor Participation

Attachment B

Vendor Participation

Following is a Summary of the Contractors, Consultants and Vendor Participation in work and services for the Cost Certification and Bonding Report. Notes include any invoice discrepancies, basis of payment, and basis for reimbursement.

Arapahoe County Engineering team provided a geological survey of the area know as Sky Ranch Filing 5. These Construction Related Expenses are eligible for CAB financing at site percent.

Art and Business One Provided sales and marketing services. These Construction Related Expenses are not considered eligible for CAB financing.

Bemas Construction, Inc. Grading contractor for Sky Ranch Filing 4. Construction Related Expenses related to lots are not considered eligible for CAB financing. All grading costs associated with public right of way and public tracts are eligible for CAB financing.

Colorado Department of Public Health and Environment (CDPHE) Modification Fee for Permit COR411592. Fees generated by this permit fee from CDPHE are considered eligible for CAB financing at site percent.

CMS Environmental Solutions, LLC Stormwater inspector for the development. These Construction Related Expenses are eligible for CAB financing at site percent.

Copeland Precast, Inc Supplier of the precast water meter pit for Filing 4. This expense is considered as a private improvement and not eligible for public financing.

CTL Thompson Provided geotechnical and testing services in Filing 4 including grading and utilities compaction testing. Compaction testing for lots is not considered eligible for CAB financing. Other expenditures from this vendor for services rendered in public right of way or public tracts were considered eligible for CAB financing

Engineering Underground, LLC Dry utility coordinator for the project. These costs are not considered eligible for public financing.

Fox Rothchild Legal counsel representing the Developer in the transactions with various builders. Expenditures related to Fox Rothschild scope of work were not considered eligible for public financing.

Independent CAB Engineering Services Provided CAB Engineering services including project bid, contract documents, general project administration, and cost certification for Filing 4-7. These services are considered eligible for CAB financing.

KT Engineering Provided survey services such as legal descriptions, easements, plat and site layout, erosion control and utility staking. In general expenditures generated by KT Engineering were considered eligible for CAB financing. Stakeout calculations and field as-builts are considered eligible at site percent. Dry utility staking, lot staking, school site staking, and re-stakes are not considered eligible for CAB financing.

LSC Transportation Consultants Provided traffic studies and trip generation calculations for Filing 4. These Construction Related Expenses are considered eligible for CAB financing.

Martin Marietta Materials Paving contractor for Filing 4. Contractor is also supplying the CAB with road base, which must be placed prior to the concrete operations on site. Construction Related Expenses associated with Martin Marietta Materials are considered eligible for public financing.

MPi Designs Irrigation design consultant for the CAB. MPi works closely with PCS group to provide the irrigation design for the landscaping around and throughout the development. Construction Related Expenses associated with MPi Designs were considered eligible for public financing.

Nelson Pipeline Utility contractor for Sky Ranch Filing 4. Construction Related Expenses associated with Nelson Pipeline were considered eligible for public financing. However, water and sanitary sewer service lines and laterals were not considered eligible.

PCS Group, Inc Provided design services for the completion of the Pre-Development Plan including lot layout, landscape requirements, lighting, and monument design in Filing 4. These services are eligible for CAB financing with the exception of layout design for lots and the school.

Premier Earthwork & Infrastructure Concrete contractor for the CAB. The contractor was responsible for all concrete alleys, curb & gutter, and sidewalk on the site. Construction Related Expenses associated with Premier Earthwork & Infrastructure are considered eligible for public financing.

Southeast Metro Stormwater Authority (SEMSWA) Collected fees and provided review and approval services for Filing 4 GESC design. Fees generated by SEMSWA are eligible for CAB financing. Fee for GESC review considered eligible at site percent.

Westwood Professional Services, Inc Provided design engineering services for Filing 4 which included surveying, performing drainage calculations, providing construction support, and drafting a site development plan, preliminary plat, final plat, and preliminary development plan. Services conducted for the Plat were considered eligible for public financing at site percent. Expenses for the school were considered not eligible.

XCEL Energy Collected fees for the construction of the electric distribution system for the subdivision. Invoices related to the street lighting electric were considered eligible for public financing.

Attachment C

Expenditure Data

Attachment C
Sky Ranch Authority Board

Engineer's Summary for Filing 4-7 Cost Certification #3 - Soft Costs

Invoice ID	Invoice Date	Invoice Provided	Check Date	Check Number	Paid By	Filing No.	Description	Invoiced Amount	District Eligible Expenses	Non-Eligible Expenses	Notes
Invoices paid by the Board - Filing 4-7											
Aprahoe City Public Works											
22-123	1/12/22	Yes	2/15/22	1285	CAB	5	Geological Survey	\$184.84	\$82.47	\$102.37	Review with Filing No. 5
Subtotal Aprahoe City Public Works								\$184.84	\$82.47	\$102.37	
Colorado Department of Public Health & Environment											
WC221121605	1/21/22	Yes	3/11/22	001303	CAB	4	Modification Fee for Permit	\$135.00	\$85.72	\$49.28	
Subtotal Colorado Department of Public Health & Environment								\$135.00	\$85.72	\$49.28	
CMS Environmental Solutions, LLC											
129349	1/1/22	Yes	2/15/22	1291	CAB	4	Bi-Weekly Inspection	\$395.00	\$250.82	\$144.18	Stormwater eligible at Site %
129662	1/1/22	Yes	2/15/22	1291	CAB	4	Stormwater Permit	\$195.00	\$123.82	\$71.18	Stormwater eligible at Site %
130476	2/1/22	Yes	3/11/22	1301	CAB	4	Bi-Weekly Inspection	\$395.00	\$250.82	\$144.18	Stormwater eligible at Site %
131739	3/1/22	Yes	4/13/22	1312	CAB	4	Bi-Weekly Inspection	\$395.00	\$250.82	\$144.18	Stormwater eligible at Site %
Subtotal CMS Environmental Solutions, LLC								\$1,380.00	\$876.27	\$503.73	
CTL Thompson, Inc.											
607873	12/31/21	Yes	2/16/22	03AP D0001D	CAB	4	Geotechnical Engineering	\$26,114.00	\$23,135.00	\$2,979.00	Compaction Testing for Homes not eligible
608272	12/31/21	Yes	2/16/22	03AP D0001D	CAB	4	Geotechnical Engineering	\$4,950.00	\$4,950.00	\$0.00	
611421	1/31/22	Yes	2/16/22	03AP D0001D	CAB	4	Geotechnical Engineering	\$20,529.00	\$20,529.00	\$0.00	
614815	2/28/22	Yes	3/14/22	03AP D0001K	CAB	4	Geotechnical Engineering	\$14,367.00	\$14,367.00	\$0.00	
Subtotal CTL Thompson, Inc.								\$65,960.00	\$62,981.00	\$2,979.00	
Independent District Engineering, LLC											
37904	12/31/21	Yes	3/21/22	1305	CAB	4	Contract Administration - F4	\$4,533.00	\$4,533.00	\$0.00	
37905	1/31/22	Yes	3/11/22	1299	CAB	4	Contract Administration - F4	\$6,320.00	\$6,320.00	\$0.00	
37906	2/28/22	Yes	4/13/22	1308	CAB	4	Contract Administration - F4	\$8,969.10	\$8,969.10	\$0.00	
Subtotal Independent District Engineering, LLC								\$19,822.10	\$19,822.10	\$0.00	
KT Engineering											
2395	2/2/22	Yes	2/15/22	1286	CAB	4	Construction Staking	\$47,235.00	\$32,257.49	\$14,977.51	Dry Utility Staking, Lot Staking, School Site and restakes not eligible
Subtotal KT Engineering								\$47,235.00	\$32,257.49	\$14,977.51	
LSC Transportation Consultants											
61560	3/9/22	Yes	4/13/22	1311	CAB	5	Traffic Impact Study	\$3,194.25	\$3,194.25	\$0.00	
Subtotal LSC Transportation Consultants								\$3,194.25	\$3,194.25	\$0.00	
MPI Designs, LLC											
1695	2/20/22	Yes	4/13/22	1307	CAB	4	Irrigation Design	\$3,895.00	\$3,895.00	\$0.00	
Subtotal Mpi Designs, LLC								\$3,895.00	\$3,895.00	\$0.00	
PCS Group Inc											
12967	1/4/22	Yes	2/15/22	1288	CAB	4 & 5	Layout Design	\$8,597.50	\$4,622.50	\$3,975.00	Lots and School costs not eligible
13196	3/15/22	Yes	4/13/22	1310	CAB	4 & 5	Layout Design	\$3,518.75	\$3,518.75	\$0.00	
Subtotal PCS Group Inc								\$12,116.25	\$8,141.25	\$3,975.00	
SEMSWA											
00003710	1/28/22	Yes	2/15/22	1282	CAB	4	Stormwater Consultant	\$6,115.00	\$5,047.30	\$1,067.70	
Subtotal SEMSWA								\$6,115.00	\$5,047.30	\$1,067.70	
Westwood Professional Services, Inc.											
1220100822	1/24/22	Yes	2/16/22	03AP D0001C	Pure Cycle	4	Engineering Services Neighborhood A	\$3,011.25	\$3,011.25	\$0.00	
1220200842	2/18/22	Yes	3/14/22	03AP D0001J	Pure Cycle	4	Survey, Engineering for Neighborhood and School	\$40,250.25	\$16,773.48	\$23,476.77	Plat at Site %, School not eligible
Subtotal Westwood Professional Services, Inc.								\$43,261.50	\$19,784.73	\$23,476.77	
Subtotal Invoices paid by the Board - Filing 4-7								\$203,298.94	\$156,167.58	\$47,131.36	
Invoices paid by the Developer - Filing 4-7											
Art and Business One LLC											
3705	1/10/22	Yes	N/A	N/A	Pure Cycle	4	Community Marketing	\$15,787.50	\$0.00	\$15,787.50	Community Marketing Not Eligible. Website Costs should be reviewed for O&M.
3776	4/6/22	Yes	N/A	N/A	Pure Cycle	4	Community Marketing	\$10,000.00	\$0.00	\$10,000.00	Community Marketing Not Eligible
Subtotal Art and Business One LLC								\$25,787.50	\$0.00	\$25,787.50	
Engineering Underground, LLC											
Sky Ranch-03	11/9/21	Yes	3/2/22	1679	Pure Cycle	4	Dry Utility Coordination	\$5,000.00	\$0.00	\$5,000.00	Dry Utilities Not Eligible
Sky Ranch-04	1/16/22	Yes	2/10/22	1654	Pure Cycle	4	Dry Utility Coordination	\$17,000.00	\$2,000.00	\$15,000.00	Dry Utilities Not Eligible, Streetlight Coordination Eligible

Attachment C
Sky Ranch Authority Board

Engineer's Summary for Filing 4-7 Cost Certification #3 - Soft Costs

Invoice ID	Invoice Date	Invoice Provided	Check Date	Check Number	Paid By	Filing No.	Description	Invoiced Amount	District Eligible Expenses	Non-Eligible Expenses	Notes
Subtotal Engineering Underground, LLC								\$22,000.00	\$2,000.00	\$20,000.00	
Fox Rothschild											
2574535	7/8/20	Yes	3/15/22	01CBT D000AP	Pure Cycle	4	Professional Legal Services	\$14,018.00	\$0.00	\$14,018.00	Developer Legal Services not eligible
2574542	7/8/20	Yes	3/15/22	01CBT D000AP	Pure Cycle	4	Professional Legal Services	\$1,894.50	\$0.00	\$1,894.50	Developer Legal Services not eligible
2607394	9/10/20	Yes	3/15/22	01CBT D000AP	Pure Cycle	4	Professional Legal Services	\$6,476.50	\$0.00	\$6,476.50	Developer Legal Services not eligible
2607401	9/10/20	Yes	3/15/22	01CBT D000AP	Pure Cycle	4	Professional Legal Services	\$7,472.00	\$0.00	\$7,472.00	Developer Legal Services not eligible
2607403	9/10/20	Yes	3/15/22	01CBT D000AP	Pure Cycle	4	Professional Legal Services	\$4,738.00	\$0.00	\$4,738.00	Developer Legal Services not eligible
2643100	11/10/20	Yes	3/15/22	01CBT D000AP	Pure Cycle	4	Professional Legal Services	\$15,932.50	\$0.00	\$15,932.50	Developer Legal Services not eligible
2643101	11/10/20	Yes	3/15/22	01CBT D000AP	Pure Cycle	4	Professional Legal Services	\$44,635.00	\$0.00	\$44,635.00	Developer Legal Services not eligible
2824733	9/14/21	Yes	3/10/22	01CBT D000A5	Pure Cycle	4	Professional Legal Services	\$13,688.50	\$0.00	\$13,688.50	Developer Legal Services not eligible
2891538	1/10/22	Yes	2/11/22	01CBT D0008A	Pure Cycle	4	Professional Legal Services	\$7,300.00	\$0.00	\$7,300.00	Developer Legal Services not eligible
2891540	1/10/22	Yes	2/11/22	01CBT D0008A	Pure Cycle	4	Professional Legal Services	\$3,112.50	\$0.00	\$3,112.50	Developer Legal Services not eligible
2908378	2/8/22	Yes	3/2/22	01CBT D0009G	Pure Cycle	4	Professional Legal Services	\$304.00	\$0.00	\$304.00	Developer Legal Services not eligible
2908380	2/8/22	Yes	3/3/22	01CBT D0009G	Pure Cycle	4	Professional Legal Services	\$2,973.00	\$0.00	\$2,973.00	Developer Legal Services not eligible
2908382	2/8/22	Yes	3/2/22	01CBT D0009G	Pure Cycle	4	Professional Legal Services	\$45.00	\$0.00	\$45.00	Developer Legal Services not eligible
2908385	2/8/22	Yes	3/2/22	01CBT D0009G	Pure Cycle	4	Professional Legal Services	\$45.00	\$0.00	\$45.00	Developer Legal Services not eligible
2908386	2/8/22	Yes	3/2/22	01CBT D0009G	Pure Cycle	4	Professional Legal Services	\$15,759.50	\$0.00	\$15,759.50	Developer Legal Services not eligible
2927176	3/5/22	Yes	3/25/22	01CBT D000AW	Pure Cycle	4	Professional Legal Services	\$1,421.50	\$0.00	\$1,421.50	Developer Legal Services not eligible
2927178	3/5/22	Yes	3/25/22	01CBT D000AW	Pure Cycle	4	Professional Legal Services	\$441.00	\$0.00	\$441.00	Developer Legal Services not eligible
2927180	3/5/22	Yes	3/25/22	01CBT D000AW	Pure Cycle	4	Professional Legal Services	\$6,904.00	\$0.00	\$6,904.00	Developer Legal Services not eligible
2946799	4/12/22	Yes	4/22/22	01CBT D000CV	Pure Cycle	4	Professional Legal Services	\$1,904.00	\$0.00	\$1,904.00	Developer Legal Services not eligible
2607398	9/10/20	Yes	3/15/22	01CBT D000AP	Pure Cycle	4	Professional Legal Services	\$6,746.50	\$0.00	\$6,746.50	Developer Legal Services not eligible
Subtotal Fox Rothschild								\$155,811.00	\$0.00	\$155,811.00	
Xcel											
772994664	3/24/22	Yes	4/11/22	1717	CAB	4	Dry Utility Provider	\$12,221.53	\$0.00	\$12,221.53	Dry Utilities not eligible
Subtotal Xcel								\$12,221.53	\$0.00	\$12,221.53	
Subtotal invoices paid by the Developer - Filing 4-7								\$215,820.03	\$2,000.00	\$213,820.03	
Total invoices paid - Board and Developer - Filing 4-7								\$419,118.97	\$158,167.58	\$260,951.39	

"District Eligible Expenses" is the amount being recommended for reimbursement from the District
 "Non Eligible Expenses" is the difference between the Invoiced Amount and the District Portion
 These amounts do not include interest

Attachment C

Sky Ranch Authority Board

Engineer's Summary for Filing 4 Cost Certification #3 - Hard Costs

Invoice ID	Invoice Date	Invoice Provided	Check Date	Check Number	Paid By	Description	Invoiced Amount	District Eligible Expenses	Non- Eligible Expenses	Notes
Invoices paid by the Board - Filing 4										
Bemas Construction, Inc.										
Pay Application #7	11/26/21	Yes	2/14/22	01CBT D00090	CAB	Grading Contractor	\$158,333.24	\$93,038.99	\$65,294.25	
Subtotal Bemas Construction, Inc.							\$158,333.24	\$93,038.99	\$65,294.25	
Martin Marietta Materials										
Pay Application #2	11/25/21	Yes	2/15/22	1295	CAB	Paving Contractor	\$171,427.23	\$171,427.23	\$0.00	
Pay Application #3	12/26/21	Yes	2/15/22	1295	CAB	Paving Contractor	\$157,354.20	\$157,354.20	\$0.00	
Pay Application #4	1/26/21	Yes	4/12/22	01CBT D000CC	CAB	Paving Contractor	\$36,654.80	\$36,654.80	\$0.00	
Subtotal Martin Marietta Materials							\$365,436.23	\$365,436.23	\$0.00	
Nelson Pipeline										
Pay Application #8	11/26/21	Yes	2/16/22	03AP D0001H	CAB	Wet Utility Contractor	\$226,195.00	\$218,500.00	\$7,695.00	Water service not eligible
Pay Application #9	12/26/21	Yes	2/16/22	03AP D0001H	CAB	Wet Utility Contractor	\$1,043,926.50	\$1,043,926.50	\$0.00	
Pay Application #10	1/26/22	Yes	4/14/22	03AP D00024	CAB	Wet Utility Contractor	\$126,133.40	\$78,633.40	\$47,500.00	
Subtotal Nelson Pipeline							\$1,396,254.90	\$1,341,059.90	\$55,195.00	
Premier Earthworks & Infrastructure										
Pay Application #3	12/26/21	Yes	2/15/22	1283	CAB	Earthwork/Paving, CO1	\$196,875.40	\$196,875.40	\$0.00	
Pay Application #4	1/26/22	Yes	3/11/22	1298	CAB	Earthwork/Paving Contractor	\$124,965.60	\$124,965.60	\$0.00	
Subtotal Premier Earthworks & Infrastructure							\$321,841.00	\$321,841.00	\$0.00	
Subtotal invoices paid by the Board - Filing 4							\$2,241,865.37	\$2,121,376.12	\$120,489.25	
Invoices paid by the Developer - Filing 4										
Copeland Precast, Inc.										
191780	3/8/22	Yes	3/24/22	1707	Pure Cycle	Precast Water Meter Pit	\$5,515.00	\$0.00	\$5,515.00	Private Improvement
Subtotal Copeland Precast, Inc.							\$5,515.00	\$0.00	\$5,515.00	
Subtotal invoices paid by the Developer - Filing 4							\$5,515.00	\$0.00	\$5,515.00	
Total - Hard Costs - Filing 4							\$2,247,380.37	\$2,121,376.12	\$126,004.25	

"District Eligible Expenses" is the amount being recommended for reimbursement from the District
 "Non Eligible Expenses" is the difference between the Invoiced Amount and the District Portion
 These amounts do not include interest

Attachment D Project Photos

Sky Ranch CAB Filing 4 Site Photos



Aerial facing Northeast



Tract A and Tract C facing Northwest



Pond C Improvements



E. 8th Place and E. 8th Avenue Improvements



Tract C Improvements facing Southeast



Tract B and Tract C Improvements facing Southwest



Manager Memorandum

TO: Sky Ranch Community Authority Board

FROM: Alexander Clem, Public Management Analyst, CliftonLarsonAllen LLP

RE: Outline of all items processed since last meeting

MEETING DATE: Monday, June 13th, 2022

ACC Requests

14 architectural requests have been received since the last meeting. Requests were for Landscaping, patios/decks, playset, chicken coups, and solar. All requests were approved.

Violation Report

Inspection of the Community was completed on May 26th resulting in 13 violation notices being sent to owners. Violations were for visible Unsightly conditions/lawn maintenance, and visible trash cans.

Please let us know if there are any questions.

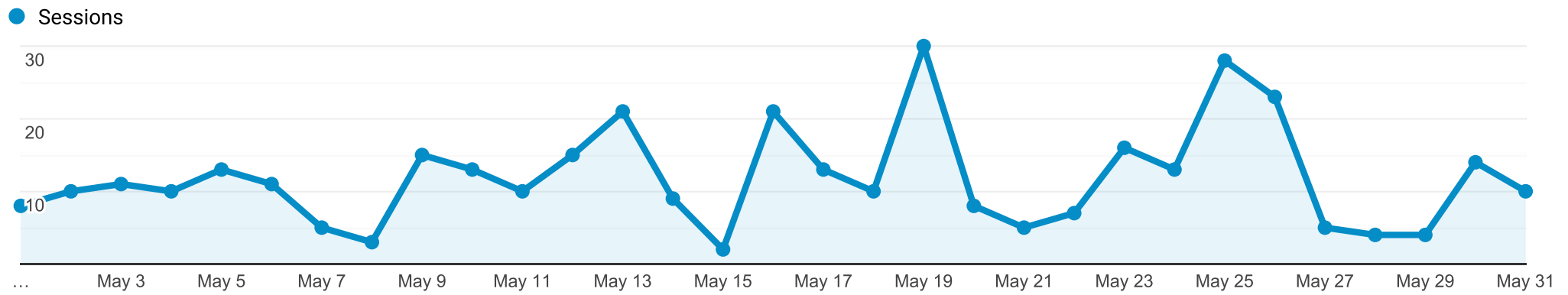
Alexander Clem,
Public Management Analyst

Basic Traffic Report

All Users
100.00% Sessions

May 1, 2022 - May 31, 2022

Report Tab



Page	Sessions	Avg. Session Duration	Users
	367 % of Total: 100.00% (367)	00:02:42 Avg for View: 00:02:42 (0.00%)	274 % of Total: 100.00% (274)
1. /	261 (71.12%)	00:02:40	206 (27.03%)
2. /contact-us	14 (3.81%)	00:01:42	62 (8.14%)
3. /resource-center/taxes-and-fees	12 (3.27%)	00:00:03	24 (3.15%)
4. /resource-center/community-management/covenant-control	11 (3.00%)	00:03:00	34 (4.46%)
5. /resource-center/meeting-minutes/sky-ranch-community-authority-board	11 (3.00%)	00:01:57	15 (1.97%)
6. /rangeview-metropolitan-district-water/wastewater	8 (2.18%)	00:00:16	11 (1.44%)
7. /your-community	6 (1.63%)	00:07:29	36 (4.72%)
8. /your-community/community-schools	6 (1.63%)	00:00:06	16 (2.10%)
9. /events/sky-ranch-community-authority-board	3 (0.82%)	00:12:08	18 (2.36%)
10. /services	3 (0.82%)	00:12:04	39 (5.12%)

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