

Annual Report and Disclosure Form

Sky Ranch Metropolitan District No. 5 (the “District”)

August 1, 2023

Pursuant to Section XI of the Amended and Restated Service Plan approved by the Board of County Commissioners of Arapahoe County, Colorado (the “County”) on December 8, 2020 and Section 32-1-207, C.R.S, the District submits the following documents and information to the County for report year 2022:

1. Boundary changes made or proposed to the District’s boundaries as of December 31 of the prior year.

There were no boundary changes in 2022.

2. Intergovernmental Agreements either proposed, entered into, or terminated as of December 31 of the prior year.

There were no Intergovernmental Agreements proposed, entered into, or terminated as of December 31 of the prior year.

3. Access information to obtain a copy of rules and regulations adopted by the Board.

Any rules or regulations adopted by the District or the CAB, including design guidelines and other covenant enforcement related documents, can be accessed on the Authority’s website at <https://SkyRanch.colorado.gov>, under the “Resource Center” tab.

4. A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year.

The District was not involved in any pending or threatened litigation in 2022.

5. Status of the District’s construction of the Public Improvements as of December 31 of the prior year.

The Sky Ranch Community Authority Board (the “CAB”) directs all construction for the District.

As of Summer 2022, the public improvements in Neighborhood B/Phase 1/Filing Nos. 1, 2, and 3 (which roughly corresponds to the boundaries of Sky Ranch Metropolitan District No. 1 (“District No. 1”)) were completed.

The County issued an initial acceptance letter for certain street and drainage improvements in part 1 of Phase 1 on October 1, 2020 (the “Phase I Streets Initial Acceptance Letter 1”); Rangeview Metropolitan District accepted certain sanitary

sewer improvements on February 10, 2020 and July 7, 2020, and certain sanitary sewer and water improvements on July 17, 2020 (collectively, the “Phase I Sewer Initial Acceptance Letters”); the County issued an initial acceptance letter for certain street and drainage improvements in part 2 of Phase 1 on March 29, 2021 (the “Phase I Streets Initial Acceptance Letter 2,” and together with the Phase I Streets Initial Acceptance Letter 1, the Phase I Sewer Initial Acceptance Letters, and the Phase I Streets Initial Acceptance Letter 2, the “Phase I Initial Acceptance Letters.”)

Construction of public improvements for Neighborhoods A&D/Phase II/Filing No. 5 (of which the property in District No. 3 is a part) is ongoing: grading commenced in late 2020/early 2021; wet utilities commenced in Summer 2021; and street and roadways commenced in Fall 2021. Phase II landscaping work is anticipated to commence in Summer 2022.

6. List of all facilities and improvements constructed by the District that have been dedicated to and accepted by the County as of December 31 of the prior year.

Please see the response to No. 4, above.

7. The assessed valuation of the District for the current year.

The District’s assessed valuation for 2023 is \$1,599,159.

8. Current year budget.

The District’s 2022 Budget is attached hereto as *Exhibit A*.

9. Audit of the District’s financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

The District’s Application for Exemption from 2022 Audit is attached hereto as *Exhibit B*.

10. Notice of any uncured defaults existing more than 90 days under any debt instrument of the District.

To our knowledge, there are no uncured events of default by the District which continue beyond a 90 day period.

11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a 90 day period.

To our knowledge, the District has been able to pay its obligations as they come due.

12. Any fees, rates, tolls, penalties or charges imposed pursuant to Section 32-1-1001(I), C.R.S., including the amount of any PIF collected by the District.

The District does not impose fees within its boundaries.

The declarant recorded a PIF against all property within in the Service Area of the Sky Ranch Metropolitan Districts and the CAB, under which it assigned its declarant rights, and the right to receive the PIF revenue, to the District. Under the Community Authority Board Establishment Agreement, the PIF revenue flows to the CAB. The PIF consists of a retail component and a construction component.

The CAB imposes an “O&M Fee” in both District No. 1 and District No. 3 (commencing in February 2022), in the amount of \$50 per lot per month, or \$600 per lot annually. The CAB imposes an administrative fee of \$100 per sale or transfer of any lot. In 2021, the CAB collected \$304,997 in O&M Fees, and \$19,100 in administrative fees.

The CAB imposes an additional “Alleyway O&M Fee” in the amount of \$9 per month, or \$108 annually, against the residential lots in District No. 3 that have alleyway loading access.

As of December 31, 2021, the CAB did not impose fees (except for the PIF, described above) within the boundaries of the District.

13. The amount of all Debt, including any refunding Debt issued by the District.

As of December 2022, the District had not issued any debt.

In 2019, the CAB issued its \$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”). The repayment of the CAB’s Series 2019 Bonds are secured by the imposition of ad valorem property taxes within the boundaries of District No. 1, pursuant to a Capital Pledge Agreement by and between the CAB and District No. 1.

On August 16, 2022, the CAB issued its \$23,345,000 in Limited Tax Supported District No. 3 Senior Bonds, Series 2022A (“2022A Bonds”) and \$6,637,000 in Limited Tax Supported District No. 3 Subordinate Bonds, Series 2022B(3) (“2022B Bonds”) (collectively, the “Series 2022 Bonds”). The repayment of the CAB’s Series 2022 Bonds are secured by the imposition of *ad valorem* property taxes within the boundaries of the District, pursuant to a Capital Pledge Agreement by and between the CAB and the District.

14. The amount of all Developer Loans issued during the prior year, the estimated repayment schedule of such Developer Loans and the total amount of all unpaid Developer Loans as of December 31 of the prior year.

All Developer Loans are issued through the CAB.

EXHIBIT A
2023 Budget

SKY RANCH METROPOLITAN DISTRICT NO. 5
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**SKY RANCH METROPOLITAN DISTRICT NO. 5
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	126,890	82,051	195,555
Specific ownership taxes	8,745	5,180	11,733
Other revenue	-	-	20,000
Total revenues	<u>135,635</u>	<u>87,231</u>	<u>227,288</u>
Total funds available	<u>135,635</u>	<u>87,231</u>	<u>227,288</u>
EXPENDITURES			
General Fund	73,545	46,122	123,350
Regional Improvements Fund	62,090	41,109	103,938
Total expenditures	<u>135,635</u>	<u>87,231</u>	<u>227,288</u>
Total expenditures and transfers out requiring appropriation	<u>135,635</u>	<u>87,231</u>	<u>227,288</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

SKY RANCH METROPOLITAN DISTRICT NO. 5
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/24/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION

Agricultural	\$ 33,450	\$ 19,707	\$ 17,939
Vacant land	145	145	145
Personal property	122,139	101,838	71,210
Oil and Gas	874,306	527,778	1,509,865
Certified Assessed Value	\$ 1,030,040	\$ 649,468	\$ 1,599,159

MILL LEVY

General	66.796	66.796	66.869
Regional Improvements	56.393	59.540	55.417
Total mill levy	123.189	126.336	122.286

PROPERTY TAXES

General	\$ 68,803	\$ 43,382	\$ 106,934
Regional Improvements	58,087	38,669	88,621
Levied property taxes	126,890	82,051	195,555
Budgeted property taxes	\$ 126,890	\$ 82,051	\$ 195,555

BUDGETED PROPERTY TAXES

General	\$ 68,803	\$ 43,382	\$ 106,934
Regional Improvements	58,087	38,669	88,621
	\$ 126,890	\$ 82,051	\$ 195,555

No assurance provided. See summary of significant assumptions.

**SKY RANCH METROPOLITAN DISTRICT NO. 5
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	68,803	43,382	106,934
Specific ownership taxes	4,742	2,740	6,416
Other revenue	-	-	10,000
Total revenues	73,545	46,122	123,350
Total funds available	73,545	46,122	123,350
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,032	651	1,604
Contingency	-	-	10,000
Transfers to CAB	72,513	45,471	111,746
Total expenditures	73,545	46,122	123,350
Total expenditures and transfers out requiring appropriation	73,545	46,122	123,350
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**SKY RANCH METROPOLITAN DISTRICT NO. 5
REGIONAL IMPROVEMENTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	58,087	38,669	88,621
Specific ownership taxes	4,003	2,440	5,317
Other revenue	-	-	10,000
Total revenues	62,090	41,109	103,938
Total funds available	62,090	41,109	103,938
EXPENDITURES			
General and Administrative			
County Treasurer's fee	871	580	1,329
Contingency	-	-	10,000
Transfers to CAB	61,219	40,529	92,609
Total expenditures	62,090	41,109	103,938
Total expenditures and transfers out requiring appropriation	62,090	41,109	103,938
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

SKY RANCH METROPOLITAN DISTRICT NO. 5
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the Arapahoe County (County) District Court issued on February 23, 2005 and recorded in the County records on March 15, 2005, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within Arapahoe County, Colorado.

The District was established to provide for the design, acquisition, construction, financing, installation, and maintenance of public improvements and services, including streets, park and recreation, water, sanitary, storm drainage, transportation, mosquito control, safety protection, and television relay and translation. Under its Amended and Restated Service Plan, the District was organized in conjunction with three other related Districts: Sky Ranch Metropolitan District Nos. 1, 3 and 4. The District entered into a Community Authority Board Establishment Agreement with District No. 1 on November 13, 2017, and an Amended and Restated Sky Ranch Community Authority Establishment agreement on September 18, 2018 (effective November 13, 2017). The District entered into Second Amended and Restated Sky Ranch Community Authority Board Establishment Agreement (the CABEA) with District Nos. 1 and 3 on August 13, 2021 which establishes the Sky Ranch Community Authority Board (the CAB). The CAB will own, operate and maintain certain public improvements within the boundaries of the Districts.

The Amended and Restated Service Plans for District Nos. 3 – 5 limit the aggregate amount of debt that they may issue together with any debt issued by the CAB to \$312,000,000. In the future, the Districts may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the Districts' service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**SKY RANCH METROPOLITAN DISTRICT NO. 5
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected by both the General Fund and Regional Improvements Fund.

Expenditures

Transfer to CAB

In connection with the CABEA, the District will transfer property taxes, net of fees, derived from the operations mill levy, together with specific ownership taxes, to the CAB to pay for operations and maintenance expenditures.

The District is 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. The District 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.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

**SKY RANCH METROPOLITAN DISTRICT NO. 5
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

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

Reserves

Emergency Reserve

The District did not provide for Emergency Reserves (equal to at least 3% of the General Fund's fiscal year spending as defined under TABOR) because net tax revenues will be transferred to the CAB. The CAB will provide for the emergency reserve.

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

EXHIBIT B

Application for Exemption from Audit

APPLICATION FOR EXEMPTION FROM AUDIT**SHORT FORM**NAME OF GOVERNMENT
ADDRESS

Sky Ranch Metropolitan District No. 5

8390 E Crescent Parkway

Suite 300

Greenwood Village, CO 80111

CONTACT PERSON
PHONE
EMAIL

Gigi Pangindian

303-779-5710

Gigi.Pangindian@claconnect.comFor the Year Ended
12/31/22
or fiscal year ended:**PART 1 - CERTIFICATION OF PREPARER**

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED

Gigi Pangindian

Accountant for the District

CliftonLarsonAllen LLP

8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111

303-779-5710

3/6/2023

PREPARER (SIGNATURE REQUIRED)**SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT**Please indicate whether the following financial information is recorded
using Governmental or Proprietary fund types**GOVERNMENTAL**
(MODIFIED ACCRUAL BASIS)**PROPRIETARY**
(CASH OR BUDGETARY BASIS)

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 82,051	
2-2	Specific ownership	\$ 5,180	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22	Interest	\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 87,231	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24	County Treasurer's Fees	\$ 1,231	
3-25	Transfers to the Sky Ranch Community Authority Board	\$ 86,000	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 87,231	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

		Yes	No
4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">The District has no outstanding debt.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">The District has no outstanding debt.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)		
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	TOTAL	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

		Yes	No
4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? Date the debt was authorized:		
	\$ 6,948,000,000.00		
	11/6/2018 & 11/3/2020		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much?		
	\$ -		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding?		
	\$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased?		
	What is the original date of the lease?		
	Number of years of lease?		
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the annual lease payments?		
	\$ -		

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2	Certificates of deposit	\$ -	
Total Cash Deposits			\$ -
	Investments (if investment is a mutual fund, please list underlying investments):		
		\$ -	
		\$ -	
5-3		\$ -	
		\$ -	
Total Investments			\$ -
Total Cash and Investments			\$ -

Please answer the following questions by marking in the appropriate boxes

		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If no, MUST use this space to provide any explanations:

The District has no checking or savings account

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain: Yes No

Complete the following capital & right-to-use assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ 90,005	\$ -	\$ -	\$ 90,005
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 90,005	\$ -	\$ -	\$ 90,005

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firefighters' pension plan? Yes No
- 7-2 Does the entity have a volunteer firefighters' pension plan? Yes No
- If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A

- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 51,419
Regional Improvements Fund	\$ 46,376

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

10-1 Is this application for a newly formed governmental entity?

If yes: **Date of formation:**

10-2 Has the entity changed its name in the past or current year?

If yes: **Please list the NEW name & PRIOR name:**

10-3 Is the entity a metropolitan district?

Please indicate what services the entity provides:

See below

10-4 Does the entity have an agreement with another government to provide services?

If yes: **List the name of the other governmental entity and the services provided:**

See below

10-5 Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during

If yes: **Date Filed:**

10-6 Does the entity have a certified Mill Levy?

If yes: **Please provide the following mills levied for the year reported (do not report \$ amounts):**

Bond Redemption mills	-
General/Other mills	126.336
Total mills	126.336

Please use this space to provide any explanations or comments:

10-3: The District was established to provide financing for the design, planning, acquisition, construction, relocation, installation, completion, operation, maintenance, and repair or replacement of public improvements, including streets, park and recreation, water, sanitary and storm sewer, public transportation, mosquito control, traffic and safety controls, television relay and translation, security and fire protection.

10-4: The District operates in conjunction with Sky Ranch Metropolitan District No. 1, Sky Ranch Metropolitan District No. 3, Sky Ranch Metropolitan District No. 6, Sky Ranch Metropolitan District No. 7, Sky Ranch Metropolitan District No. 8 and Sky Ranch Community Authority Board (CAB). District Nos. 1, 3, 5-8 are the Taxing Districts and CAB is the Operating Authority.

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Mark Harding	I, Mark Harding, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Mark Harding</u> Date: <u>B453909D8D64434...</u> 3/28/2023 My term Expires: May 2023
Board Member 2	Paul Knopinski	I, Paul Knopinski, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Paul Knopinski</u> Date: <u>797B9FDE5EB34AD...</u> 3/28/2023 My term Expires: May 2025
Board Member 3	Dirk Lashnits	I, Dirk Lashnits, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: May 2025
Board Member 4	Scott Lehman	I, Scott Lehman, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Scott Lehman</u> Date: <u>D6443E14650C4993</u> 3/28/2023 My term Expires: May 2023
Board Member 5	Kevin McNeill	I, Kevin McNeill, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Kevin McNeill</u> Date: <u>EA299BFB781D4ED...</u> 3/28/2023 My term Expires: May 2023
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen LLP
8390 East Crescent Pkwy., Suite 300
Greenwood Village, CO 80111

phone 303-779-5710 fax 303-779-0348
CLAAconnect.com

Accountant's Compilation Report

Board of Directors
Sky Ranch Metropolitan District No. 5
Arapahoe County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Sky Ranch Metropolitan District No. 5 as of and for the year ended December 31, 2022, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Sky Ranch Metropolitan District No. 5.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 6, 2023

Certificate Of Completion

Envelope Id: 27F606CB2A724A0A800A8E0C475B6BE3	Status: Completed
Subject: Complete with DocuSign: Sky Ranch MD No. 5 - Audit Exemption.pdf	
Client Name: Sky Ranch MD 5	
Client Number: A206014	
Source Envelope:	
Document Pages: 8	Signatures: 4
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Peter Maleski
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 S 6th St Ste 300
	Minneapolis, MN 55402-1418
	Peter.Maleski@claconnect.com
	IP Address: 73.243.31.93

Record Tracking

Status: Original	Holder: Peter Maleski	Location: DocuSign
3/28/2023 12:55:36 PM	Peter.Maleski@claconnect.com	

Signer Events

Kevin McNeill
 kmcneill@purecyclewater.com
 Security Level: Email, Account Authentication (None)

Signature



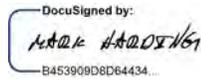
Signature Adoption: Pre-selected Style
 Using IP Address: 204.134.145.82

Timestamp

Sent: 3/28/2023 1:03:50 PM
 Viewed: 3/28/2023 1:27:19 PM
 Signed: 3/28/2023 1:27:49 PM

Electronic Record and Signature Disclosure:
 Accepted: 3/28/2023 1:27:19 PM
 ID: e74e5f43-31e8-414f-a006-ad52f31d430e

MARK HARDING
 mharding@purecyclewater.com
 President
 Sky Ranch CAB
 Security Level: Email, Account Authentication (None)

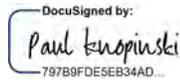


Signature Adoption: Pre-selected Style
 Using IP Address: 204.134.145.82

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 Signed: 3/28/2023 1:46:38 PM

Electronic Record and Signature Disclosure:
 Accepted: 3/28/2023 1:46:22 PM
 ID: 05e8db38-73e8-4506-bfca-2863671a43ee

Paul Knopinski
 joek@landanddistricts.com
 President
 Security Level: Email, Account Authentication (None)

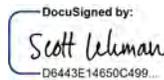


Signature Adoption: Pre-selected Style
 Using IP Address: 73.229.143.214

Sent: 3/28/2023 1:03:49 PM
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 Signed: 3/28/2023 1:44:58 PM

Electronic Record and Signature Disclosure:
 Accepted: 3/8/2019 1:36:17 PM
 ID: 9db6a331-51f6-40a9-9667-1c5ec5d322ab

Scott Lehman
 slehman@purecyclewater.com
 Secretary
 Security Level: Email, Account Authentication (None)



Signature Adoption: Pre-selected Style
 Using IP Address: 75.166.160.159
 Signed using mobile

Sent: 3/28/2023 1:03:49 PM
 Viewed: 3/28/2023 1:54:21 PM
 Signed: 3/28/2023 1:54:40 PM

Electronic Record and Signature Disclosure:

Signer Events	Signature	Timestamp
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Accepted: 3/28/2023 1:54:21 PM
ID: ff03da49-89de-45ad-ab04-b74a18753efb

In Person Signer Events	Signature	Timestamp
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Editor Delivery Events	Status	Timestamp
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Agent Delivery Events	Status	Timestamp
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Intermediary Delivery Events	Status	Timestamp
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Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	3/28/2023 1:03:50 PM
Envelope Updated	Security Checked	3/30/2023 1:24:43 PM
Certified Delivered	Security Checked	3/28/2023 1:54:21 PM
Signing Complete	Security Checked	3/28/2023 1:54:40 PM
Completed	Security Checked	3/30/2023 1:24:43 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

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At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

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- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.