SWEETGRASS METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR YEAR ENDING DECEMBER 31, 2025

SWEETGRASS METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ 491,705	$ 616,614	$ 712,932
REVENUES			
Property taxes	671,207	853,635	862,019
Specific ownership taxes	28,738	30,000	34,481
TIF Revenue	4	-	-
Interest Income	26,752	28,000	20,000
Other Revenue	-	13,361	-
Total revenues	726,701	924,996	916,500
Total funds available	1,218,406	1,541,610	1,629,432
EXPENDITURES			
General and administrative			
Accounting	11,273	17,000	20,000
Auditing	10,920	6,800	6,900
County Treasurer's Fee	10,069	12,879	12,930
Dues and Membership	647	842	1,000
Insurance	2,050	12,054	13,300
District management	-	-	2,000
Legal	1,076	20,000	21,000
Miscellaneous	-	1,000	5,000
Banking fees	832	-	-
Election	-	-	3,000
Contingency	-	-	2,570
Debt Service			
Paying agent fees	9,000	7,000	8,000
Bond Interest Series 2022A	347,800	341,800	334,550
Bond Interest Series 2022B	88,125	139,303	78,750
Bond Principal Series 2022A	120,000	145,000	150,000
Bond Principal Series 2022B	-	125,000	265,000
Total expenditures	601,792	828,678	924,000
Total expenditures and transfers out requiring appropriation	601,792	828,678	924,000
ENDING FUND BALANCES	$ 616,614	$ 712,932	$ 705,432
EMERGENCY RESERVE	$ 21,900	$ 27,800	$ 27,500
DEBT SERVICE RESERVE - SERIES 2022A	207,622	293,800	293,800
AVAILABLE FOR OPERATIONS	387,092	391,332	384,132
TOTAL RESERVE	$ 616,614	$ 712,932	$ 705,432

No assurance provided. See summary of significant assumptions.

SWEETGRASS METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Residential	$ 10,572,450	$ 12,530,380	$ 12,569,980
Commercial	2,400	670	820
Agricultural	8,460	30	30
State assessed	642,660	27,020	217,890
Vacant land	879,950	150,670	150,670
Personal property	-	195,460	-
Oil & Gas - Production		3,540	2,840
Oil & Gas - Pipeline	144,050	212,260	334,920
Certified Assessed Value	$ 12,249,970	$ 13,120,030	$ 13,277,150
MILL LEVY			
General	3.944	4.554	3.877
Debt Service	51.221	60.504	61.048
Total mill levy	55.165	65.058	64.925
PROPERTY TAXES			
General	$ 48,314	$ 59,749	$ 51,476
Debt Service	627,456	793,814	810,543
Levied property taxes	675,770	853,563	862,019
Adjustments to actual/rounding	(4,563)	72	-
Budgeted property taxes	$ 671,207	$ 853,635	$ 862,019
BUDGETED PROPERTY TAXES			
General	**$ 47,988**	**$ 59,754**	**$ 51,476**
Debt Service	**623,219**	**793,881**	**810,543**
	$ 671,207	**$ 853,635**	**$ 862,019**

No assurance provided. See summary of significant assumptions.

SWEETGRASS METROPOLITAN DISTRICT NO. 2
2025 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 District Court for the City of Dacono, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The Service Plan, as amended and restated in 2021, provides the ability for the District to impose a maximum mill levy for the combined debt service and operational and maintenance requirements of the District. The Service Plan also provides limits on the issuance of general obligation debts for District Nos. 1 and 3 of $47,000,000 and District No. 2 of $11,500,000.

At a special election of the eligible electors of the District, a majority of those qualified to vote voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations and maintenance of the public improvements within the District including streets, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security.

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

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

Revenues

Property Taxes

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

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.

Revenues (Continued)

Property Taxes (Continued)

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	$30,000
			Oil & Gas Production	87.50%			

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 4% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

EXPENDITURES

Administrative Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense. Pursuant to the to 2022A Bond Indenture, the annual O&M carve-out for 2025 is $51,515 which is used to cover the administrative expenditures of the District.

Expenditures - (continued)

County Treasurer's Fees

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

Debt Service

The District intends to fully fund its annual debt service obligations under the Series 2022A Senior Bonds. The District also anticipates that it will make interest and principal payments on the Series 2022B Subordinate Bonds.

Debt and Leases

On June16, 2022, the District Issued the (i) Series 2021A, Subordinate General Obligation Limited Tax Bonds in the aggregate principal amount not to exceed of $8,150,000 (the 2022A Senior Bonds); and (ii) Series 2022B, Subordinate General Obligation Limited Tax Refunding Bonds in the aggregate principal amount of $1,175,000 (the "2022B Subordinate Bonds") for the purposes of (i) paying and discharging all or a portion of the Series 2018A Notes; (ii) funding a debt service reserve fund (solely for the benefit of the Series 2022A Bonds); and (iii) paying costs of issuance in connection with the 2022A and 2022B Bonds.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR. Debt and Leases

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the Series 2022A Bonds.

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

SWEETGRASS METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$8,150,000
General Obligation Limited Tas
Refunding Bonds
Series 2022A, Dated June 16, 2022
Interest Rate Fixed 4-5%
Interest Payable
June 1 and December 1
Principal Payable December 1

Bonds/Loans and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2025	$ 150,000	$ 334,550	$ 484,550
2026	145,000	327,050	472,050
2027	150,000	319,800	469,800
2028	170,000	312,300	482,300
2029	180,000	303,800	483,800
2030	195,000	294,800	489,800
2031	205,000	285,050	490,050
2032	225,000	274,800	499,800
2033	235,000	263,550	498,550
2034	260,000	251,800	511,800
2035	275,000	238,800	513,800
2036	295,000	225,050	520,050
2037	310,000	210,300	520,300
2038	340,000	194,800	534,800
2039	350,000	181,200	531,200
2040	375,000	167,200	542,200
2041	390,000	152,200	542,200
2042	420,000	136,600	556,600
2043	435,000	119,800	554,800
2044	465,000	102,400	567,400
2045	480,000	83,800	563,800
2046	515,000	64,600	579,600
2047	535,000	44,000	579,000
2048	565,000	22,600	587,600
Total	$ 7,665,000	$ 4,910,850	$ 12,575,850

No assurance provided. See summary of significant assumptions.