

July 19, 2022

VIA EMAIL

Office of Development Assistance 15151 E. Alameda Pkwy., 5th Floor Aurora, CO 80012

oda@auroragov.org

Sagebrush Farm Metropolitan District Nos. 1 and 2

To Whom it May Concern:

Pursuant to Section VIII of the districts' First Amended and Restated Service Plans approved by the City of Aurora, Colorado on February 14, 2022, attached are the 2021 annual reports for the above-referenced districts.

Please do not hesitate to contact the undersigned if you have any questions.

Very truly yours,

McGeady Becher P.C.

/s/ Tennifer Pino

Jennifer Pino Paralegal

Enclosures

Adams County Clerk and Recorder (via email) cc:

Office of the State Auditor (via e-filing portal)

Division of Local Government (via e-filing portal)

ANNUAL INFORMATION REPORT for the year 2021 SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 1

(Pursuant to Section VIII of the First Amended and Restated Service Plan approved by the City of Aurora, County of Adams, State of Colorado on February 14, 2022).

- (1) **Boundary changes made or proposed to the District's boundary as of December 31 of the prior year**. No boundary changes were made or proposed during 2021.
- (2) Intergovernmental Agreement with other governmental entities either entered into or proposed as of December 31 of the prior year. The District did not enter into any new Intergovernmental Agreements during the year 2021.
- (3) Copies of the District's rules and regulations, if any, as of December 31 of the prior year. None.
- (4) A summary of any litigation which involved the District Public Improvements as of December 31 of the prior year. The District was not involved in any litigation during 2021.
- (5) Status of the District's construction of the Public Improvements as of December 31 of the prior year. No capital improvements were constructed in 2021.
- (6) A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year. None.
- (7) **The assessed valuation of the District for the current year.** A copy of the 2021 Certification of Valuation from Adams County is attached hereto AS Exhibit A.
- (8) Current year budget including a description of the Public Improvements to be constructed in such year. The District returned to active status on January 7, 2022. A copy of the 2022 Budget is attached hereto as Exhibit B.
- (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 was in inactive status according to Section 32-1-104(3)(a), C.R.S. during all of the year 2021, therefore an Application for Exemption from the 2021 Audit was not required, nor completed.
- (10) Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument. None.

Sagebrush Farm Metropolitan District No. 1 Annual Report – 2021 Page 2

(11) Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period. None.

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: 269 - SAGEBRUSH FARM METRO DIST NO 1

IN ADAMS COUNTY ON 11/24/2021

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

| IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TI | 1E |
|--|----|
| TOTALVALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN ADAMS COUNTY. COLORADO | |

| 1. | PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$30 |
|----------|---|---|
| 2. | CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | <u>\$30</u> |
| 3. | LESS TIF DISTRICT INCREMENT, IF ANY: | <u>\$0</u> |
| 4. | CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$30 |
| 5. | NEW CONSTRUCTION: ** | \$0 |
| ٥. | | 42 |
| 6. | INCREASED PRODUCTION OF PRODUCING MINES: # | \$0 |
| 7. | ANNEXATIONS/INCLUSIONS: | <u>\$0</u> |
| 8. | PREVIOUSLY EXEMPT FEDERAL PROPERTY: # | <u>\$0</u> |
| 9. | NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.): | <u>\$0</u> |
| 10 | . TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.): | \$0.00 |
| 11 | TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.): | \$0.00 |
| | This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo. New construction is defined as: Taxable real property structures and the personal property connected with the structure. | |
| | urisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the value it calculation. | es to be treated as growth in the |
| ## | Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit | calculation. |
| | USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY | |
| TH | ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. HE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN ADAMS COUNTY, COLORADO ON AUG CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @ | THE ASSESSOR CERTIFIES UST 25, 2021 \$110 |
| | ADDITIONS TO TAXABLE REAL PROPERTY: | |
| 2. | CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ! | <u>\$0</u> |
| 3. | ANNEXATIONS/INCLUSIONS: | <u>\$0</u> |
| 4. | INCREASED MINING PRODUCTION: % | <u>\$0</u> |
| 5. | PREVIOUSLY EXEMPT PROPERTY: | <u>\$0</u> |
| 6. | OIL OR GAS PRODUCTION FROM A NEW WELL: | <u>\$0</u> |
| 7. | TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: | \$0 |
| | (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted DELETIONS FROM TAXABLE REAL PROPERTY: | ed property.) |
| 8. | DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | <u>\$0</u> |
| 9. | DISCONNECTIONS/EXCLUSION: | <u>\$0</u> |
| 10 | PREVIOUSLY TAXABLE PROPERTY: | \$0 |
| @ | This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property | erty. |
| ! C | construction is defined as newly constructed taxable real property structures. | |
| % | Includes production from new mines and increases in production of existing producing mines. | |
| IN TO | ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES D SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: | \$0 |
| | NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECE | MBER 15, 2021 |
| | ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: IB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** | 24: |
| - 1 | The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer | |

Data Date: 11/24/2021

EXHIBIT B

RESOLUTION NO. 2022-01-03

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY RESOLUTION OF THE BOARD OF DIRECTORS OF

SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 1, ADAMS COUNTY, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2022

- A. The Board of Directors of Sagebrush Farm Metropolitan District No. 1 (the "**District**") has appointed McGeady Becher P.C. to prepare and submit a proposed budget to said governing body at the proper time.
- B. McGeady Becher P.C. has submitted a proposed budget to this governing body for its consideration.
- C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on January 7, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.
- D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District.
- E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.
- F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.
- G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 1, ADAMS COUNTY, COLORADO:

- 1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.
- 2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

[SIGNATURE PAGE FOLLOWS]

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

RESOLUTION APPROVED AND ADOPTED ON JANUARY 7, 2022.

SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 1

| | By: |
|-----------------------------|-----------|
| | President |
| Attest: | |
| By: Jennifer Pino Secretary | _ |

Budget

 $\{00927812.DOCX\ v:1\ \}$ A-1

SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 1 2022 BUDGET SUMMARY OF SIGNIFICANT ASSUMPTIONS

The 2022 Budget of the Sagebrush Farm Metropolitan District No. 1 is prepared using a modified accrual basis of accounting.

Services Provided

The District was formed on June 30, 2005, to be responsible for managing, implementing and coordinating the acquisition, construction, installation and completion of certain public improvements, including, without limitation, water, sanitation, street, safety protection, park and recreation, television relay and translation, fire protection, transportation, safety protection, and mosquito control.

Revenues

The District's primary source of revenue is developer advances.

Expenditures

General Fund expenditures include legal services and expenses related to the statutory operations of a local government.

| SAGEBRUS | SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 1 | | | | | |
|------------------------|--|--------|----|-----------|----|---------|
| UAGEBROO | BUDGET | | | | | |
| GENERAL FUND | | | | | | |
| FOR T | FOR THE YEAR ENDING DECEMBER 31, 2022 | | | | | |
| | | | | | | |
| | | Actual | | Estimated | | Adopted |
| | | 2020 | | 2021 | | Budget |
| | | 2020 | | 2021 | | 2022 |
| | | | | | | |
| BEGINNING FUND BALANCE | | 0 | Φ. | 0 | Φ. | 0 |
| BEGINNING FUND BALANCE | \$ | 0 | Ъ | 0 | \$ | 0 |
| REVENUE | | | | | | |
| Developer Advance | | 0 | | 0 | | 100,000 |
| Total Revenue | | 0 | | 0 | | 100,000 |
| Total Neverlue | | 0 | | 0 | | 100,000 |
| Total Funds Available | | 0 | | 0 | | 100,000 |
| EXPENDITURES | | | | | | |
| Accounting | | 0 | | 0 | | 15,000 |
| Legal | | 0 | | 0 | | 40,000 |
| Dues and Membership | | 0 | | 0 | | 1,000 |
| Insurance | | 0 | | 0 | | 3,100 |
| Administrative | | 0 | | 0 | | 500 |
| Election | | 0 | | 0 | | 4,000 |
| Miscellaneous | | 0 | | 0 | | 10,000 |
| Contingency | | 0 | | 0 | | 26,400 |
| Total Expenditures | | 0 | | 0 | | 100,000 |
| ENDING FUND BALANCE | \$ | 0 | \$ | 0 | \$ | 0 |
| ASSESSED VALUATION | | 30 | | 30 | | 30 |
| | | | | | | |
| MILL LEVY | | 0 | | 0 | | 0 |
| | | | | | | |

I, Jennifer Pino, hereby certify that I am the duly appointed Secretary of the Sagebrush Farm Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Sagebrush Farm Metropolitan District No. 1 held on January 7, 2022.

Jennifer Pino Secretary

ANNUAL INFORMATION REPORT for the year 2021 SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 2

(Pursuant to Section VIII of the First Amended and Restated Service Plan approved by the City of Aurora, County of Adams, State of Colorado on February 14, 2022).

- (1) **Boundary changes made or proposed to the District's boundary as of December 31 of the prior year**. No boundary changes were made or proposed during 2021.
- (2) Intergovernmental Agreement with other governmental entities either entered into or proposed as of December 31 of the prior year. The District did not enter into any new Intergovernmental Agreements during the year 2021.
- (3) Copies of the District's rules and regulations, if any, as of December 31 of the prior year. None.
- (4) A summary of any litigation which involved the District Public Improvements as of December 31 of the prior year. The District was not involved in any litigation during 2021.
- (5) Status of the District's construction of the Public Improvements as of December 31 of the prior year. No capital improvements were constructed in 2021.
- (6) A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year. None.
- (7) **The assessed valuation of the District for the current year.** A copy of the 2021 Certification of Valuation from Adams County is attached hereto as Exhibit A.
- (8) Current year budget including a description of the Public Improvements to be constructed in such year. The District returned to active status on January 7, 2022. A copy of the 2022 Budget is attached hereto as Exhibit B.
- (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 was in inactive status according to Section 32-1-104(3)(a), C.R.S. during all of the year 2021, therefore an Application for Exemption from the 2021 Audit was not required, nor completed.
- (10) Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument. None.

Sagebrush Farm Metropolitan District No. 2 Annual Report – 2021 Page 2

(11) Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period. None.

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: 268 - SAGEBRUSH FARM METRO DIST NO 2

IN ADAMS COUNTY ON 11/24/2021

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN ADAMS COUNTY. COLORADO

| TOTALVALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN ADAMS C | COUNTY, COLORADO |
|---|---|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$70 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | \$70 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY: | \$0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$70 |
| 5. NEW CONSTRUCTION: ** | \$0 |
| 5. NEW SOMETHING THE | 40 |
| 6. INCREASED PRODUCTION OF PRODUCING MINES: # | <u>\$0</u> |
| 7. ANNEXATIONS/INCLUSIONS: | <u>\$0</u> |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: # | <u>\$0</u> |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS L OR LAND (29-1-301(1)(b) C.R.S.): | EASEHOLD ## \$0 |
| 10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301) | 1))(a) C.R.S.): \$0.00 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-1 | 14(1)(a)(l)(B) C.R.S.): \$0.00 |
| * This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, S ** New construction is defined as: Taxable real property structures and the personal property connected with | |
| # Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government calculation. | |
| ## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be | treated as growth in the limit calculation. |
| USE FOR 'TABOR' LOCAL GROWTH CALC | CULATIONS ONLY |
| IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, A THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN ADAMS COUNTY | ND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES C, COLORADO ON AUGUST 25, 2021 |
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @ | <u>\$250</u> |
| ADDITIONS TO TAXABLE REAL PROPERTY: | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ! | <u>\$0</u> |
| 3. ANNEXATIONS/INCLUSIONS: | <u>\$0</u> |
| 4. INCREASED MINING PRODUCTION: % | <u>\$0</u> |
| 5. PREVIOUSLY EXEMPT PROPERTY: | <u>\$0</u> |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | \$0 |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WA | |
| (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actu DELETIONS FROM TAXABLE REAL PROPERTY: | al value can be reported as omitted property.) |
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | <u>\$0</u> |
| 9. DISCONNECTIONS/EXCLUSION: | <u>\$0</u> |
| 10. PREVIOUSLY TAXABLE PROPERTY: | <u>\$0</u> |
| @ This includes the actual value of all taxable real property plus the actual value of religious, private scho | ols, and charitable real property. |
| ! Construction is defined as newly constructed taxable real property structures. | |
| % Includes production from new mines and increases in production of existing producing mines. | |
| IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE AS | |
| TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: | \$(|
| NOTE: All levies must be Certified to the Board of County Commissioners | NO LATER THAN DECEMBER 15, 2021 |
| IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPER | TY (ESTIMATED): ** |
| ** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by in accordance with 39-3-119 f(3). C.R.S. | the County Treasurer |

Data Date: 11/24/2021

EXHIBIT B

RESOLUTION NO. 2022-01-03

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY RESOLUTION OF THE BOARD OF DIRECTORS OF

SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 2, ADAMS COUNTY, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2022

- A. The Board of Directors of Sagebrush Farm Metropolitan District No. 2 (the "**District**") has appointed McGeady Becher P.C. to prepare and submit a proposed budget to said governing body at the proper time.
- B. McGeady Becher P.C. has submitted a proposed budget to this governing body for its consideration.
- C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on January 7, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.
- D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District.
- E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.
- F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.
- G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 2, ADAMS COUNTY, COLORADO:

- 1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.
- 2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

[SIGNATURE PAGE FOLLOWS]

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

RESOLUTION APPROVED AND ADOPTED ON JANUARY 7, 2022.

SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 2

| By: | \mathcal{X} | - |
|-----|---------------|---|
| | President | |

Attest:

By: Jennifer Pino
Secretary

Budget

{00927815.DOCX v:1 }

SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 2 2022 BUDGET SUMMARY OF SIGNIFICANT ASSUMPTIONS

The 2022 Budget of the Sagebrush Farm Metropolitan District No. 2 is prepared using a modified accrual basis of accounting.

Services Provided

The District was formed on June 30, 2005, to be responsible for managing, implementing and coordinating the acquisition, construction, installation and completion of certain public improvements, including, without limitation, water, sanitation, street, safety protection, park and recreation, television relay and translation, fire protection, transportation, safety protection, and mosquito control.

Revenues

The District's primary source of revenue is developer advances.

Expenditures

General Fund expenditures include legal services and expenses related to the statutory operations of a local government.

| SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 2 | | | | | | | |
|--|----|--|--------|----|-----------|----|---------|
| BUDGET GENERAL FUND | | | | | | | |
| | | | | | | | FOR TH |
| | | | | | | | |
| | | | Actual | | Estimated | | Adopted |
| | | | 2020 | | 2021 | | Budget |
| | | | | | | | 2022 |
| | | | | | | | |
| BEGINNING FUND BALANCE | \$ | | 0 | \$ | 0 | \$ | 0 |
| REVENUE | | | | | | | |
| Developer Advance | | | 0 | | 0 | | 100,000 |
| Total Revenue | | | 0 | | 0 | | 100,000 |
| Total Funds Available | | | 0 | | 0 | | 100,000 |
| Total I ulius Avallable | | | 0 | | 0 | | 100,000 |
| EXPENDITURES | | | | | | | |
| Accounting | | | 0 | | 0 | | 15,000 |
| Legal | | | 0 | | 0 | | 40,000 |
| Dues and Membership | | | 0 | | 0 | | 1,000 |
| Insurance | | | 0 | | 0 | | 3,100 |
| Administrative | | | 0 | | 0 | | 500 |
| Election | | | 0 | | 0 | | 4,000 |
| Miscellaneous | | | 0 | | 0 | | 10,000 |
| Contingency | | | 0 | | 0 | | 26,400 |
| Total Expenditures | | | 0 | | 0 | | 100,000 |
| ENDING FUND BALANCE | \$ | | 0 | \$ | 0 | \$ | 0 |
| ASSESSED VALUATION | | | 30 | | 30 | | 30 |
| | | | | | | | |
| MILL LEVY | | | 0 | | 0 | | 0 |
| | | | | | | | |

I, Jennifer Pino, hereby certify that I am the duly appointed Secretary of the Sagebrush Farm Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Sagebrush Farm Metropolitan District No. 2 held on January 7, 2022.

Jennifer Pino Secretary