

BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

BERTHOUD HERITAGE METROPOLITAN DISTRICT NO. 1
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/29/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 6,066,927	\$ 6,568,423	\$ 5,294,288
REVENUES			
Intergovernmental Revenue - MD #2	882,977	1,013,855	1,442,216
Intergovernmental Revenue - MD #3	615	625	228
Intergovernmental Revenue - MD #4	217,370	335,845	664,296
Intergovernmental Revenue - MD #5	1,967	26	587
Intergovernmental Revenue - MD #6	224,637	242,195	227,206
Intergovernmental Revenue - MD #7	8,437	8,460	-
Intergovernmental Revenue - MD #8	180,078	111,090	394,817
Intergovernmental Revenue - MD #9	466	1,600	4,488
Intergovernmental Revenue - MD #10	13,850,309	1,738	10,184
Intergovernmental Revenue - MD #11	-	-	3,176
Intergovernmental Revenue - MD #12	-	-	2,611
Intergovernmental Revenue - MD #13	-	-	3,209
Intergovernmental Revenue - MD #14	-	-	4,174
Intergovernmental Revenue - MD #15	-	-	3,901
Intergovernmental Revenue - MD #16	-	-	1,622
Intergovernmental Revenue - MD #17	-	49,385,050	6,548
Development Fee	344,417	166,500	160,000
Operation Fees	1,152,067	1,250,600	1,044,500
Rookery Fees	-	-	378,300
Transfer Fee	25,150	15,000	18,450
Design Review Fee	85,850	42,500	44,400
Property Resale Enhancement Fee	36,435	24,360	25,200
Water service fees	63,870	130,150	130,000
Interest income	96,420	231,338	270,000
Other revenue	3,375	1,000	5,000
Intergovernmental revenues	54,023	-	-
Late fees / penalties	3,000	5,040	5,000
Non-Potable Water System Fee	390,629	123,750	200,000
Non-Potable PIF & Meter Fee	145,325	41,250	75,000
Raw Water System Fee	274,250	123,750	200,000
Note Issuance Proceeds	15,818,144	14,127,589	14,000,000
Facility Lease Revenue	177,600	177,600	177,600
District Membership	30,000	30,000	-
TPC Golf Membership	11,500	16,000	-
General Public Boat Membership	66,500	120,000	-
Seasonal Passes and Fishing	13,510	16,000	-
Annual Pass Revenue	-	-	-
Total revenues	<u>34,158,921</u>	<u>67,742,911</u>	<u>19,502,713</u>
TRANSFERS IN	<u>118,080</u>	<u>266,681</u>	<u>26,207</u>
Total funds available	<u>40,343,928</u>	<u>74,578,015</u>	<u>24,823,208</u>
EXPENDITURES			
General Fund	1,680,929	2,908,926	2,559,800
Debt Service Fund	1,498,063	1,498,063	1,508,063
Capital Projects Fund	30,198,548	63,986,054	14,500,000
Special Revenue Fund 12	136,407	350,225	355,000
Special Revenue Fund 11	143,478	273,778	360,840
Total expenditures	<u>33,657,425</u>	<u>69,017,046</u>	<u>19,283,703</u>
TRANSFERS OUT	<u>118,080</u>	<u>266,681</u>	<u>26,207</u>
Total expenditures and transfers out requiring appropriation	<u>33,775,505</u>	<u>69,283,727</u>	<u>19,309,910</u>
ENDING FUND BALANCES	<u>\$ 6,568,423</u>	<u>\$ 5,294,288</u>	<u>\$ 5,513,298</u>
EMERGENCY RESERVE	<u>\$ 63,700</u>	<u>\$ 63,800</u>	<u>\$ 76,800</u>
TOTAL RESERVE	<u>\$ 63,700</u>	<u>\$ 63,800</u>	<u>\$ 76,800</u>

No assurance provided. See summary of significant assumptions.

**BERTHOUD HERITAGE METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Commercial	74,605	-	128,859
Agricultural	-	-	11
State assessed	1,874	7,300	7,200
Vacant land	145	145	140
	76,624	7,445	136,210
Certified Assessed Value	\$ 76,624	\$ 7,445	\$ 136,210
 MILL LEVY			
General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -

BERTHOUD HERITAGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

	1/26/24		
	ACTUAL	ESTIMATED	BUDGET
	2022	2023	2024
BEGINNING FUND BALANCES	\$ 702,324	\$ 1,242,624	\$ 190,906
REVENUES			
Intergovernmental Revenue - MD #2	203,763	233,965	332,796
Intergovernmental Revenue - MD #3	615	625	228
Intergovernmental Revenue - MD #4	65,211	100,756	199,485
Intergovernmental Revenue - MD #5	1,967	26	587
Intergovernmental Revenue - MD #6	51,839	55,892	52,585
Intergovernmental Revenue - MD #7	8,437	8,460	-
Intergovernmental Revenue - MD #8	-	55,545	91,265
Intergovernmental Revenue - MD #9	466	1,600	4,488
Intergovernmental Revenue - MD #10	1,395	1,738	10,184
Intergovernmental Revenue - MD #11	-	-	3,176
Intergovernmental Revenue - MD #12	-	-	2,611
Intergovernmental Revenue - MD #13	-	-	3,209
Intergovernmental Revenue - MD #14	-	-	4,174
Intergovernmental Revenue - MD #15	-	-	3,901
Intergovernmental Revenue - MD #16	-	-	1,622
Intergovernmental Revenue - MD #17	-	-	6,548
Development Fee	344,417	166,500	160,000
Operation Fees	1,152,067	1,250,600	1,044,500
Rookery Fees	-	-	378,300
Transfer Fee	25,150	15,000	18,450
Design Review Fee	85,850	42,500	44,400
Property Resale Enhancement Fee	36,435	24,360	25,200
Water service fees	63,870	130,150	130,000
Interest income	20,459	30,132	30,000
Other revenue	3,375	1,000	5,000
Late fees / penalties	3,000	5,040	5,000
Intergovernmental revenues	54,023	-	-
Total revenues	<u>2,122,339</u>	<u>2,123,889</u>	<u>2,557,709</u>
TRANSFERS IN			
Transfers from other funds	98,890	-	-
Total funds available	<u>2,923,553</u>	<u>3,366,513</u>	<u>2,748,615</u>
EXPENDITURES			
General and administrative			
Accounting	117,260	146,499	144,000
Auditing	19,700	29,040	33,500
Dues and membership	49,626	35,987	40,000
Insurance	106,530	110,933	120,000
ARC	102,408	150,000	130,000
Programs and Events	28,203	79,050	65,000
Rookery Golf Access	103,196	91,219	378,300
District Management	235,300	222,561	120,000
Legal	115,710	88,062	100,000
Covenant Enforcement	10,140	25,000	30,000
Miscellaneous	802	2,000	2,000
District Operations - Vantage	-	236,572	220,000
Improvements	-	100,000	100,000
Facilities Management	-	42,000	12,000
Social Committee	-	40,000	40,000
Title	-	24,360	30,000
Security	-	41,250	42,000
Cameras	-	-	20,000
Election	13,373	8,984	-
Repay developer advance	-	570,000	-
Contingency	-	-	40,000
Operations and maintenance			
Repairs and maintenance	56,638	215,444	200,000
Engineering	12,674	10,850	10,000
Landscaping	409,411	172,583	180,000
Fence and sign maintenance	4,475	1,000	5,000
Snow removal	63,700	173,219	175,000
Equipment	-	53,790	53,000
Utilities	113,703	52,700	80,000
Water	118,080	185,823	190,000
Total expenditures	<u>1,680,929</u>	<u>2,908,926</u>	<u>2,559,800</u>
TRANSFERS OUT			
Transfers to other fund	-	266,681	26,207
Total expenditures and transfers out requiring appropriation	<u>1,680,929</u>	<u>3,175,607</u>	<u>2,586,007</u>
ENDING FUND BALANCES	<u>\$ 1,242,624</u>	<u>\$ 190,906</u>	<u>\$ 162,608</u>
EMERGENCY RESERVE	<u>\$ 63,700</u>	<u>\$ 63,800</u>	<u>\$ 76,800</u>
TOTAL RESERVE	<u>\$ 63,700</u>	<u>\$ 63,800</u>	<u>\$ 76,800</u>

No assurance provided. See summary of significant assumptions.

BERTHOUD HERITAGE METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 4,678,522	\$ 4,440,669	\$ 4,400,139
REVENUES			
Intergovernmental Revenue - MD #2	679,214	779,890	1,109,420
Intergovernmental Revenue - MD #4	152,159	235,089	464,811
Intergovernmental Revenue - MD #6	172,798	186,303	174,621
Intergovernmental Revenue - MD #8	180,078	55,545	303,552
Interest income	75,961	200,706	240,000
Total revenues	1,260,210	1,457,533	2,292,404
Total funds available	5,938,732	5,898,202	6,692,543
EXPENDITURES			
General and administrative			
Paying agent fees	3,500	3,500	3,500
Contingency	-	-	10,000
Debt Service			
Bond interest	1,494,563	1,494,563	1,494,563
Total expenditures	1,498,063	1,498,063	1,508,063
Total expenditures and transfers out requiring appropriation	1,498,063	1,498,063	1,508,063
ENDING FUND BALANCES	\$ 4,440,669	\$ 4,400,139	\$ 5,184,480

**BERTHOUD HERITAGE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 576,081	\$ 736,715	\$ 552,050
REVENUES			
Intergovernmental Revenue - MD #10	13,848,914	-	-
Intergovernmental Revenue - MD #17	-	49,385,050	-
Non-Potable Water System Fee	390,629	123,750	200,000
Non-Potable PIF & Meter Fee	145,325	41,250	75,000
Raw Water System Fee	274,250	123,750	200,000
Note Issuance Proceeds	15,818,144	14,127,589	14,000,000
Total revenues	<u>30,477,262</u>	<u>63,801,389</u>	<u>14,475,000</u>
Total funds available	<u>31,053,343</u>	<u>64,538,104</u>	<u>15,027,050</u>
EXPENDITURES			
General and Administrative			
Contingency	-	-	250,000
Capital Projects			
Engineering	-	98,415	50,000
Capital outlay	29,698,548	13,852,589	13,800,000
Repay developer advance	-	49,385,050	-
Repayment of Note	500,000	650,000	400,000
Total expenditures	<u>30,198,548</u>	<u>63,986,054</u>	<u>14,500,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>118,080</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>30,316,628</u>	<u>63,986,054</u>	<u>14,500,000</u>
ENDING FUND BALANCES	<u>\$ 736,715</u>	<u>\$ 552,050</u>	<u>\$ 527,050</u>

No assurance provided. See summary of significant assumptions.

**BERTHOUD HERITAGE METROPOLITAN DISTRICT NO. 1
RESERVOIR PROGRAM AND MAINTENANCE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ (2,778)	\$ -
REVENUES			
Interest income	-	500	-
District Membership	30,000	30,000	
Membership Fees/Passes			347,000
BHMD1 Resident Contribution			25,000
TPC Golf Membership	11,500	16,000	
General Public Boat Membership	66,500	120,000	
Seasonal Passes and Fishing	13,510	16,000	
Annual Pass Revenue	-	-	-
Total revenues	<u>121,510</u>	<u>182,500</u>	<u>372,000</u>
TRANSFERS IN			
Transfers from other funds	<u>19,190</u>	<u>94,056</u>	<u>-</u>
Total funds available	<u>140,700</u>	<u>273,778</u>	<u>372,000</u>
EXPENDITURES			
General and administrative			
Insurance	501	10,000	3,240
Reservoir Lease	62,778	122,778	132,000
Operations Management Fee	50,959	50,000	110,000
District Management	-	-	6,000
Operations and maintenance			
Utilities	-	-	5,600
Operation supplies	-	-	50,800
Operations and maintenance	29,240	91,000	53,200
Total expenditures	<u>143,478</u>	<u>273,778</u>	<u>360,840</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>143,478</u>	<u>273,778</u>	<u>360,840</u>
ENDING FUND BALANCES	<u>\$ (2,778)</u>	<u>\$ -</u>	<u>\$ 11,160</u>
EMERGENCY RESERVE	-	-	11,160
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,160</u>

No assurance provided. See summary of significant assumptions.

**BERTHOUD HERITAGE METROPOLITAN DISTRICT NO. 1
 FACILITIES OPERATIONS FUND
 2024 BUDGET
 WITH 2022 ACTUAL AND 2023 ESTIMATED
 For the Years Ended and Ending December 31,**

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 110,000	\$ 151,193	\$ 151,193
REVENUES			
Facility Lease Revenue	177,600	177,600	177,600
Total revenues	177,600	177,600	177,600
TRANSFERS IN			
Transfers from other funds	-	172,625	26,207
Total funds available	287,600	501,418	355,000
EXPENDITURES			
General and administrative			
Insurance	76,407	78,862	85,000
Facilities Ops Management Fee	60,000	271,363	270,000
Operations and maintenance			
Total expenditures	136,407	350,225	355,000
Total expenditures and transfers out requiring appropriation	136,407	350,225	355,000
ENDING FUND BALANCES	\$ 151,193	\$ 151,193	\$ -

No assurance provided. See summary of significant assumptions.

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Berthoud-Heritage Metropolitan District No. 1 (“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 Town of Berthoud, Larimer County, Colorado in January 2008, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The original Consolidated Service Plan, approved by the Town of Berthoud on February 12, 2008, formed the Berthoud-Heritage Metropolitan Districts Nos 1 – 9. The Consolidated Service Plan amendment, approved by the Town of Berthoud on October 9, 2018, formed the Berthoud-Heritage Metropolitan District Nos 10 – 17.

The District, along with other related Districts Nos. 2 – 17 (“Financing Districts”) were organized to provide financing for the design, acquisition, construction and installation of street and roadway improvements; street landscaping, signage, monuments, and lighting; safety protection; parks and recreation improvements; and sanitation and storm drainage; and to provide the operation and maintenance of these improvements. Berthoud-Heritage Metropolitan District No. 1 (“Operating District”), will own, operate, maintain and construct facilities benefiting the Financing Districts. The District’s service area is located entirely within the Town of Berthoud, Larimer County, Colorado.

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

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.

Revenues

Intergovernmental Revenue

The intergovernmental revenue represents transfers from Berthoud-Heritage Metropolitan District No. 2 – 17 to provide funding for the overall administrative and operating costs for the Districts. The Debt Service Fund intergovernmental revenue transfers from Berthoud-Heritage Metropolitan District No. 2, 4, 6, and 8 provide for funding to service bond indebtedness that funded capital infrastructure.

Net Investment Income

Interest earned on the District's available funds has been estimated based on the current interest rate of approximately 5%.

Fees

The District assess and collects a fee per home for purposes of general fund expenditures. Additionally, the District assess and collects a fee for certain development and home sale activities for purposes of general fund expenditures

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Water Service Fees

The District bills its customers for water services. Revenue for water service is mainly comprised of billings to residential and commercial customers based upon water meter readings at established rates.

Note Issuance Proceeds

The District issued notes with the Developer not to exceed \$90,000,000. Proceeds from the notes are to be used to fund public infrastructure improvements in the District, consisting generally of streets, water, sanitary sewer, park and recreation, and related improvements.

Reservoir Membership and Pass Revenue

The District manages operations at Lonetree and McNeil Reservoir. Annual passes, memberships, rental activities, and fishing passes revenue are collected by the district for use in reservoir operations.

Water Service Charges

The District bills its customers for water services. Revenue for water service is mainly comprised of billings to residential and commercial customers for irrigation fees based upon water meter readings at established rates.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, landscaping, reservoir expenditures, golf access, insurance, and meeting costs.

Operations and Maintenance

These expenditures represent repairs and maintenance, utilities, landscaping, snow removal, and other maintenance costs.

Repayment of Note

The District budgets to repay part of the note issued to the Developer used to provide general fund operations in previous years as well as the development of public infrastructure.

Debt Service

Principal and interest payments are provided based on the attached debt amortization schedule. See "Debt and Leases" below.

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects Funds.

Debt and Leases

Series 2019 Bonds

On April 11, 2019, the District issued \$26,570,000 in Limited Tax supported Revenue Bonds (the Bonds), Bonds bear interest at a rate of 5.625% with principal payments due annually on December 1 and interest payments dues semi-annually on June 1 and December 1. The proceeds were used to pay for bond issuance costs and to reimburse the Developer for advances made on behalf of the District for capital infrastructure costs.

Developer Note Payable

The District issued Notes with the Developer not to exceed \$90,000,000 on December 10, 2019. The proceeds from the notes were used to fund the Improvement Project Fund for further acquisition and construction of certain public infrastructure improvements in the District required for District development. Interest accrues at a rate of 2.00% plus the Federal Reserve Bank Prime rate.

Developer Advance

On May 6, 2008, the District entered into a promissory note and loan agreement with the original developing entity in order to finance improvements within the District boundaries and has been renewed annually and subsequently amended from time to time to include additional funding members, collectively, "Developer". Wherein the Developer agreed to loan the District up to \$500,000 initially for operational and maintenance costs. The limit was increased to \$1,500,000 in March of 2019. The Note calls for interest at 2% plus the Federal Reserve Bank Prime Rate.

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3.00% of the fiscal year spending for 2024, defined under TABOR.

This information is an integral part of the accompanying budget.

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31, Year	\$26,570,000 Limited Tax Supported Revenue Bonds Series 2019 Dated April 11, 2019 Principal Due December 1 Interest Rate 5.625% Payable June 1 and December 1		
	Principal	Interest	Total
2024	\$ -	\$ 1,494,563	\$ 1,494,563
2025	-	\$ 1,494,563	1,494,563
2026	100,000	\$ 1,494,563	1,594,563
2027	215,000	\$ 1,488,938	1,703,938
2028	355,000	\$ 1,476,844	1,831,844
2029	455,000	\$ 1,456,875	1,911,875
2030	565,000	\$ 1,431,281	1,996,281
2031	600,000	\$ 1,399,500	1,999,500
2032	670,000	\$ 1,365,750	2,035,750
2033	710,000	\$ 1,328,063	2,038,063
2034	790,000	\$ 1,288,125	2,078,125
2035	835,000	\$ 1,243,688	2,078,688
2036	925,000	\$ 1,196,719	2,121,719
2037	975,000	\$ 1,144,688	2,119,688
2038	1,075,000	\$ 1,089,844	2,164,844
2039	1,135,000	\$ 1,029,375	2,164,375
2040	1,240,000	\$ 965,531	2,205,531
2041	1,310,000	\$ 895,781	2,205,781
2042	1,425,000	\$ 822,094	2,247,094
2043	1,505,000	\$ 741,938	2,246,938
2044	1,635,000	\$ 657,281	2,292,281
2045	1,730,000	\$ 565,313	2,295,313
2046	1,870,000	\$ 468,000	2,338,000
2047	1,975,000	\$ 362,813	2,337,813
2048	4,475,000	\$ 251,719	4,726,719
	<u>\$ 26,570,000</u>	<u>\$ 27,153,844</u>	<u>\$ 53,723,844</u>

No assurance provided. See summary of significant assumptions.