

BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 2
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/28/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	831,489	959,592	1,368,610
Specific ownership taxes	59,466	67,171	95,803
Interest income	8,828	6,284	5,176
Other revenue	-	-	61,200
Total revenues	<u>899,783</u>	<u>1,033,047</u>	<u>1,530,789</u>
Total funds available	<u>899,783</u>	<u>1,033,047</u>	<u>1,530,789</u>
EXPENDITURES			
General Fund	207,641	238,394	364,113
Debt Service Fund	692,142	794,653	1,166,676
Total expenditures	<u>899,783</u>	<u>1,033,047</u>	<u>1,530,789</u>
Total expenditures and transfers out requiring appropriation	<u>899,783</u>	<u>1,033,047</u>	<u>1,530,789</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/28/23

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 4,397,411	\$ 8,768,383	\$ 13,022,041
Commercial	409,767	348,966	352,642
Agricultural	14,281	12,998	-
State assessed	31,365	50,500	103,800
Vacant land	7,437,145	4,311,786	4,015,092
	12,289,969	13,492,633	17,493,575
Certified Assessed Value	\$ 12,289,969	\$ 13,492,633	\$ 17,493,575

MILL LEVY

General	15.608	16.418	18.054
Debt Service	52.027	54.727	60.181
Total mill levy	67.635	71.145	78.235

PROPERTY TAXES

General	\$ 191,822	\$ 221,522	\$ 315,829
Debt Service	639,410	738,411	1,052,781
Levied property taxes	831,232	959,933	1,368,610
Adjustments to actual/rounding	257	-	-
Refunds and abatements	-	(341)	-
Budgeted property taxes	\$ 831,489	\$ 959,592	\$ 1,368,610

BUDGETED PROPERTY TAXES

General	\$ 191,881	\$ 221,443	\$ 315,829
Debt Service	639,608	738,149	1,052,781
	\$ 831,489	\$ 959,592	\$ 1,368,610

No assurance provided. See summary of significant assumptions.

**BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/28/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	191,881	221,443	315,829
Specific ownership taxes	13,723	15,501	22,108
Interest income	2,037	1,450	1,176
Other revenue	-	-	25,000
Total revenues	207,641	238,394	364,113
Total funds available	207,641	238,394	364,113
EXPENDITURES			
General and administrative			
County Treasurer's fee	3,878	4,429	6,317
Intergovernmental expenditures	203,763	233,965	332,796
Contingency	-	-	25,000
Operations and maintenance			
Total expenditures	207,641	238,394	364,113
Total expenditures and transfers out requiring appropriation	207,641	238,394	364,113
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/28/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	639,608	738,149	1,052,781
Specific ownership taxes	45,743	51,670	73,695
Interest income	6,791	4,834	4,000
Other revenue	-	-	36,200
Total revenues	692,142	794,653	1,166,676
Total funds available	692,142	794,653	1,166,676
EXPENDITURES			
General and administrative			
County Treasurer's fee	12,928	14,763	21,056
Intergovernmental expenditures	679,214	779,890	1,109,420
Contingency	-	-	36,200
Debt Service			
Total expenditures	692,142	794,653	1,166,676
Total expenditures and transfers out requiring appropriation	692,142	794,653	1,166,676
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The Berthoud-Heritage Metropolitan District No. 2 (“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. 3 – 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

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.

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. For collection in 2024, the adjusted maximum mill levy for debt service is 60.181 mills. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

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.

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (Continued)

For property tax collection year 2024, SB22-238 and SB23B-001 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 7.0% of the total property taxes collected.

Investment Income

Interest earned on the District’s available funds has been estimated based on historical interest earnings.

Expenditures

Intergovernmental Expenditures

All administrative expenditures such as legal, accounting, management, insurance, including costs for snow removal and landscape maintenance, are paid through and by Berthoud-Heritage Metropolitan District No. 1, the Operating District. The District will transfer net revenues collected from its operational mill levy, as well as the current, unpledged revenue from its debt service fund, to the Operating District to cover a portion of these costs.

County Treasurer’s Fees

County Treasurer's collection fees have been computed at 2.0% of property taxes.

Debt and Leases

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

**BERTHOUD-HERITIAGE METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserves

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to the Operating District, which pays for all the Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2024 budget.

This information is an integral part of the accompanying budget.