

BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 10
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 10
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	\$ -	\$ 1,824,273	\$ 1,463,486
REVENUES			
Property taxes	5,746	7,164	42,028
Specific ownership taxes	411	618	2,942
Interest income	32,549	95,000	100,000
Other revenue	-	-	16,000
Bond issuance proceeds	16,750,000	-	-
Total revenues	<u>16,788,706</u>	<u>102,782</u>	<u>160,970</u>
Total funds available	<u>16,788,706</u>	<u>1,927,055</u>	<u>1,624,456</u>
EXPENDITURES			
General Fund	1,421	1,771	11,378
Debt Service Fund	360,077	461,798	484,335
Capital Projects Fund	14,602,935	-	-
Total expenditures	<u>14,964,433</u>	<u>463,569</u>	<u>495,713</u>
Total expenditures and transfers out requiring appropriation	<u>14,964,433</u>	<u>463,569</u>	<u>495,713</u>
ENDING FUND BALANCES	<u>\$ 1,824,273</u>	<u>\$ 1,463,486</u>	<u>\$ 1,128,743</u>
DEBT SERVICE RESERVE	752,130	752,130	752,130
TOTAL RESERVE	<u>\$ 752,130</u>	<u>\$ 752,130</u>	<u>\$ 752,130</u>

No assurance provided. See summary of significant assumptions.

BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 10
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/21/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 19,384	\$ 18,841	\$ 25,621
Agricultural	34,364	30,417	18,583
State assessed	32,471	55,200	66,300
Vacant land	-	-	502,630
	86,219	104,458	613,134
Certified Assessed Value	\$ 86,219	\$ 104,458	\$ 613,134

MILL LEVY

General	15.382	15.826	15.818
Debt Service	51.273	52.754	52.728
Total mill levy	66.655	68.580	68.546

PROPERTY TAXES

General	\$ 1,326	\$ 1,653	\$ 9,699
Debt Service	4,421	5,511	32,329
Levied property taxes	5,747	7,164	42,028
Budgeted property taxes	\$ 5,747	\$ 7,164	\$ 42,028

BUDGETED PROPERTY TAXES

General	\$ 1,326	\$ 1,653	\$ 9,699
Debt Service	4,421	5,511	32,329
	\$ 5,747	\$ 7,164	\$ 42,028

**BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 10
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	1,326	1,653	9,699
Specific ownership taxes	95	118	679
Interest income	-	-	-
Other revenue	-	-	1,000
Total revenues	1,421	1,771	11,378
Total funds available	1,421	1,771	11,378
EXPENDITURES			
General and administrative			
County Treasurer's fee	26	33	194
Intergovernmental expenditures	1,395	1,738	10,184
Contingency	-	-	1,000
Total expenditures	1,421	1,771	11,378
Total expenditures and transfers out requiring appropriation	1,421	1,771	11,378
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 10
DEBT SERVICE FUND
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	\$ -	\$ 1,824,273	\$ 1,463,486
REVENUES			
Property taxes	4,420	5,511	32,329
Specific ownership taxes	316	500	2,263
Interest income	32,549	95,000	100,000
Other revenue	-	-	15,000
Bond issuance proceeds	2,147,065	-	-
Total revenues	2,184,350	101,011	149,592
TRANSFERS IN			
Total funds available	2,184,350	1,925,284	1,613,078
EXPENDITURES			
General and administrative			
County Treasurer's fee	88	110	647
Paying agent fees	-	-	7,000
Contingency	-	-	15,000
Debt Service			
Bond interest	359,989	461,688	461,688
Total expenditures	360,077	461,798	484,335
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	360,077	461,798	484,335
ENDING FUND BALANCES	\$ 1,824,273	\$ 1,463,486	\$ 1,128,743
DEBT SERVICE RESERVE	\$ 752,130	\$ 752,130	\$ 752,130
TOTAL RESERVE	\$ 752,130	\$ 752,130	\$ 752,130

No assurance provided. See summary of significant assumptions.

**BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 10
 CAPITAL PROJECTS FUND
 2024 BUDGET
 WITH 2022 ACTUAL AND 2023 ESTIMATED
 For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Bond issuance proceeds	14,602,935	-	-
Total revenues	<u>14,602,935</u>	<u>-</u>	<u>-</u>
Total funds available	<u>14,602,935</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
General and Administrative			
Intergovernmental expenditures	13,848,914	-	-
Bond issue costs	754,021	-	-
Total expenditures	<u>14,602,935</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>14,602,935</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 10
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Berthoud-Heritage Metropolitan District No. 10 (“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 – 9 and 11-17 (“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. 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. 10
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 to the Operating District to cover a portion of these costs.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule for Series 2022A (discussed under Debt and Leases).

County Treasurer’s Fees

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

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 10
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Series 2022 Bonds

The District issued Subordinate Limited Tax General Obligation Bonds Series 2022A and Series 2022B on February 24, 2022 in the par amount of \$9,910,000 and \$6,840,000, respectively (The Bonds). Proceeds from the sale of The Bonds will be used to finance or reimburse a portion of the costs of designing, acquiring, constructing, relocating, installing, completing, and providing public improvements.

The Bonds bear interest at the rate of 4.25 – 4.75% for Series 2022A and 8.00% for Series 2022B per annum, payable on June 1 and on December 1 for Series 2022A and annually on December 15 for Series 2022B, to the extent of Pledged Revenue available, if any, and mature in December, 2052. Series 2022B are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on Series 2022B compounds annually on each December 15. Series 2022B bonds and interest thereon are to be deemed to be paid and discharged on December 15, 2062 (the “Termination Date”), regardless of the amount of principal and interest paid prior to the Termination Date.

**Berthoud-Heritage Metropolitan District No. 10
Schedule of Long Term Obligations**

	Balance at December 31, 2022	Additions*	Repayments*	Balance at December 31, 2023*
Bonds - Series 2022A	\$ 9,910,000	\$ -	\$ -	\$ 9,910,000
Bonds - Series 2022B	6,840,000	-	-	6,840,000
Accrued interest - Series 2022B	466,594	584,117	-	1,050,711
	<u>\$ 17,216,594</u>	<u>\$ 584,117</u>	<u>\$ -</u>	<u>\$ 17,800,711</u>
	Balance at December 31, 2023*	Additions*	Repayments*	Balance at December 31, 2024*
Bonds - Series 2022A	\$ 9,910,000	\$ -	\$ -	\$ 9,910,000
Bonds - Series 2022B	6,840,000	-	-	6,840,000
Accrued interest - Series 2022B	1,050,711	621,399	-	1,672,110
	<u>\$ 17,800,711</u>	<u>\$ 621,399</u>	<u>\$ -</u>	<u>\$ 18,422,110</u>

* Estimate

The District has no operating or capital leases.

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.

Berthoud-Heritage Metropolitan District No. 10
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Bonds and Interest Maturing in the Year Ending December 31, Year	\$9,910,000 General Obligation Bonds Series 2022A Dated February 24, 2022 Principal Due December 1 Interest Rate 4.25 - 4.75% Payable June 1 and December 1		Total
	Principal	Interest	
2024	\$ -	461,688	\$ 461,688
2025	-	461,688	461,688
2026	-	461,688	461,688
2027	10,000	461,688	471,688
2028	100,000	461,263	561,263
2029	120,000	457,013	577,013
2030	145,000	451,913	596,913
2031	150,000	445,750	595,750
2032	175,000	439,375	614,375
2033	180,000	431,500	611,500
2034	210,000	423,400	633,400
2035	220,000	413,950	633,950
2036	245,000	404,050	649,050
2037	260,000	393,025	653,025
2038	290,000	381,325	671,325
2039	300,000	368,275	668,275
2040	335,000	354,775	689,775
2041	350,000	339,700	689,700
2042	390,000	323,950	713,950
2043	405,000	305,425	710,425
2044	445,000	286,188	731,188
2045	470,000	265,050	735,050
2046	510,000	242,725	752,725
2047	535,000	218,500	753,500
2048	585,000	193,088	778,088
2049	615,000	165,300	780,300
2050	665,000	136,088	801,088
2051	695,000	104,500	799,500
2052	1,505,000	71,488	1,576,488
	<u>\$ 9,910,000</u>	<u>\$ 9,924,363</u>	<u>\$ 19,834,363</u>

NOTE: This debt to maturity schedule only represents the senior obligation of the District. No debt to maturity schedule has been provided for the 2022B Subordinate Bonds because amounts are payable from subordinate pledged revenue, which may or may not be sufficient to make debt service payments when due.