

BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 9

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 9
SUMMARY
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	\$ 4,423	\$ 4,462	\$ -
REVENUES			
Property taxes	589	1,138	3,798
Specific ownership taxes	42	82	266
Interest income	161	403	500
Reimbursed expenditures	102,616	117,527	117,500
Lease income	800,000	500,000	500,000
Other revenue	-	-	2,000
Total revenues	<u>903,408</u>	<u>619,150</u>	<u>624,064</u>
Total funds available	<u>907,831</u>	<u>623,612</u>	<u>624,064</u>
EXPENDITURES			
General Fund	103,369	123,612	124,064
Capital Projects Fund	800,000	500,000	500,000
Total expenditures	<u>903,369</u>	<u>623,612</u>	<u>624,064</u>
Total expenditures and transfers out requiring appropriation	<u>903,369</u>	<u>623,612</u>	<u>624,064</u>
ENDING FUND BALANCES	<u>\$ 4,462</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 9
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

Commercial	\$ -	\$ -	\$ 31,549
Agricultural	23	21	91
State assessed	11,617	22,600	24,500
Vacant land	145	145	280
	11,785	22,766	56,420
Certified Assessed Value	\$ 11,785	\$ 22,766	\$ 56,420

MILL LEVY

General	50.000	50.005	67.324
Total mill levy	50.000	50.005	67.324

PROPERTY TAXES

General	\$ 589	\$ 1,138	\$ 3,798
Levied property taxes	589	1,138	3,798
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	\$ 589	\$ 1,138	\$ 3,798

BUDGETED PROPERTY TAXES

General	\$ 589	\$ 1,138	\$ 3,798
	\$ 589	\$ 1,138	\$ 3,798

**BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 9
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	\$ 4,423	\$ 4,462	\$ -
REVENUES			
Property taxes	589	1,138	3,798
Specific ownership taxes	42	82	266
Interest income	161	403	500
Reimbursed expenditures	102,616	117,527	117,500
Other revenue	-	-	2,000
Total revenues	103,408	119,150	124,064
Total funds available	107,831	123,612	124,064
EXPENDITURES			
General and administrative			
County Treasurer's fee	12	23	76
Insurance	4,589	4,489	-
Intergovernmental expenditures	1,071	1,600	4,488
Water Lease Payment - Town of Berthoud	47,741	55,000	55,000
Contingency	-	-	2,000
Operations and maintenance			
Utilities	49,956	62,500	62,500
Total expenditures	103,369	123,612	124,064
Total expenditures and transfers out requiring appropriation	103,369	123,612	124,064
ENDING FUND BALANCES	\$ 4,462	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**BERTHOUD-HERTIAGE METROPOLITAN DISTRICT NO. 9
 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			
Lease income	800,000	500,000	500,000
Total revenues	<u>800,000</u>	<u>500,000</u>	<u>500,000</u>
Total funds available	<u>800,000</u>	<u>500,000</u>	<u>500,000</u>
EXPENDITURES			
Repay developer advance	800,000	500,000	500,000
Total expenditures	<u>800,000</u>	<u>500,000</u>	<u>500,000</u>
Total expenditures and transfers out requiring appropriation	<u>800,000</u>	<u>500,000</u>	<u>500,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 9
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Berthoud-Heritage Metropolitan District No. 9 (“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 – 8 and 10 – 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. 9
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.

Reimbursed Expenditures

Certain expenditures paid by the Berthoud Metropolitan Districts, primary insurance, utilities, and lease expense, are subject to reimbursement by Heron Lakes Golf Operations, LLC

Lease Income

The District anticipates receiving lease revenue from an agreement with Heron Lakes Gold Operations LLC for use of land and improvements owned by the District.

**BERTHOUD-HERITIAGE METROPOLITAN DISTRICT NO. 9
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

Lease Expenditure

The District leases water rights from the Town of Berthoud at a fixed rate for 250 acre feet per year of watering.

Repay Developer Loan

Principal and interest payments on the developer loan (discussed under Debt and Leases) are estimated based on anticipated promised revenues.

Debt and Leases

Long Term Loan

On May 6, 2008, the District entered into promissory notes and loan agreements with the original developing entity in order to finance and acquire 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 \$90,000,000 initially for capital costs related to public infrastructure. The Notes call for interest at 2% plus the Federal Reserve Bank Prime Rate. Anticipated principal of the note on December 31, 2024 is \$9,869,051.

Leases

On February 28, 2014, the District entered into a lease agreement with the Town of Berthoud wherein the Town of Berthoud agreed to provide up to 250 acre feet per year of water to the District and the District agreed to pay a fixed rate regardless of using less than 250 acre feet. The agreement shall remain in effect until 2039.

On July 1, 2017, the District entered into a lease agreement with Heron Lakes Golf Operations, LLC wherein the District agreed to provide use of land and improvements owned by the District to Heron Lakes Golf Operations LLC. The agreement terminates on June 31, 2037.

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NO. 9
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.