

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 2,200
REVENUES			
Property taxes	97,500	182,921	199,783
Specific ownership taxes	7,016	9,146	9,989
Administrative Fees	-	2,500	5,000
Operations and maintenance fee	-	7,182	15,000
Other revenue	-	60,000	45,020
Developer contribution	-	2,418	72,008
Interest income	1,022	3,564	4,100
Total revenues	<u>105,538</u>	<u>267,731</u>	<u>350,900</u>
Total funds available	<u>105,538</u>	<u>267,731</u>	<u>353,100</u>
EXPENDITURES			
General Fund	24,355	45,287	60,000
Debt Service Fund	81,183	150,244	190,000
Special Revenue Fund	-	70,000	100,000
Total expenditures	<u>105,538</u>	<u>265,531</u>	<u>350,000</u>
Total expenditures and transfers out requiring appropriation	<u>105,538</u>	<u>265,531</u>	<u>350,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 2,200</u>	<u>\$ 3,100</u>
EMERGENCY RESERVE	-	2,200	3,100
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 2,200</u>	<u>\$ 3,100</u>

No assurance provided. See summary of significant assumptions.

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/29/25

ACTUAL	ESTIMATED	BUDGET
2023	2024	2025

ASSESSED VALUATION

Residential - Single Family	\$ -	\$ -	\$ 277,890
Vacant land	1,492,470	2,701,900	2,576,900
Personal property	7,550	5,560	15,370
Certified Assessed Value	\$ 1,500,020	\$ 2,707,460	\$ 2,870,160

MILL LEVY

General	15.000	15.591	16.063
Debt Service	50.000	51.971	53.544
Total mill levy	65.000	67.562	69.607

PROPERTY TAXES

General	\$ 22,500	\$ 42,212	\$ 46,103
Debt Service	75,001	140,709	153,680
Levied property taxes	97,501	182,921	199,783
Adjustments to actual/rounding	(1)	-	-
Budgeted property taxes	\$ 97,500	\$ 182,921	\$ 199,783

BUDGETED PROPERTY TAXES

General	\$ 22,500	\$ 42,212	\$ 46,103
Debt Service	75,000	140,709	153,680
	\$ 97,500	\$ 182,921	\$ 199,783

**LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	22,500	42,212	46,103
Specific ownership taxes	1,619	2,111	2,305
Other revenue	-	-	10,592
Interest income	236	964	1,000
Total revenues	24,355	45,287	60,000
Total funds available	24,355	45,287	60,000
EXPENDITURES			
County Treasurer's Fee	225	422	461
Contingency	-	-	10,592
Intergovernmental expenditures LHMD1	24,130	44,865	48,947
Total expenditures	24,355	45,287	60,000
Total expenditures and transfers out requiring appropriation	24,355	45,287	60,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
SPECIAL REVENUE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 2,200
REVENUES			
Administrative Fees	-	2,500	5,000
Operations and maintenance fee	-	7,182	15,000
Interest income	-	100	600
Developer contribution	-	2,418	72,008
Other revenue	-	60,000	8,292
Total revenues	-	72,200	100,900
Total funds available	-	72,200	103,100
EXPENDITURES			
General and administrative			
Accounting	-	5,000	10,000
Insurance	-	-	4,500
Community Management	-	-	15,708
Billing	-	5,000	5,000
Contingency	-	60,000	8,292
Operations and maintenance			
Repairs and maintenance	-	-	6,500
Pet Waste and Trash Disposal	-	-	17,500
Lighting	-	-	2,500
Snow removal	-	-	25,000
Electricity	-	-	5,000
Total expenditures	-	70,000	100,000
Total expenditures and transfers out requiring appropriation	-	70,000	100,000
ENDING FUND BALANCES	\$ -	\$ 2,200	\$ 3,100
EMERGENCY RESERVE	\$ -	\$ 2,200	\$ 3,100
TOTAL RESERVE	\$ -	\$ 2,200	\$ 3,100

No assurance provided. See summary of significant assumptions.

**LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	75,000	140,709	153,680
Specific ownership taxes	5,397	7,035	7,684
Interest income	786	2,500	2,500
Other revenue	-	-	26,136
Total revenues	81,183	150,244	190,000
Total funds available	81,183	150,244	190,000
EXPENDITURES			
County Treasurer's Fee	750	1,407	1,537
Contingency	-	-	26,136
Intergovernmental expenditures LHCA	80,433	148,837	162,327
Total expenditures	81,183	150,244	190,000
Total expenditures and transfers out requiring appropriation	81,183	150,244	190,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Loretto Heights Metropolitan District No. 4 (District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City and County of Denver on August 26, 2019.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

Loretto Heights Metropolitan Districts Nos. 1-5 and Loretto Heights Programming Metropolitan District are expected to work together to provide for the acquisition, construction, and financing of the public improvements and the administration and operations for the Development.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes section 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.

The District may impose an Operating Mill Levy of up to 65.000 mills, until the District imposes a Debt Mill Levy. Once the District imposes a Debt Mill Levy, the District's Operating Mill Levy cannot exceed 15.000 mills. The Debt Mill Levy shall not exceed 50.000 mills. The Programming District has the authority to levy 20.000 mills for the purpose of operating and maintaining the Programming District's facilities and services. The District has the authority to impose an additional Regional Mill Levy of 5.000 mills. The Regional Mill Levy shall not exceed a term of 25 years from December 31 of the tax collection year after which the Regional Mill Levy was first imposed. The District's Aggregate Mill Levy maximum is 85 mills (15.000 for Operations, 50.000 for Debt Service, and 20.000 for the Programming District), and does not include the Regional Mill Levy. All of these mill levies can be adjusted for any changes in the assessment ratios from the time of the service plan approval, August 26, 2019.

**LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (continued)

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.

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233, and HB24B-1001 set the assessment rates and actual values 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 5.00% of the property taxes collected.

Operations Fees

The District imposes a quarterly fee of \$250 from the homeowners and collects a \$125 fee at closing from each new homeowner to pay for the costs of administration, operations, and maintenance expenses of the District.

Net Investment Income

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

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, meeting expense and other administrative expenses.

**LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 4
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Intergovernmental Expenditures

The District is obligated to impose a mill levy, not to exceed 15 mills, subject to certain adjustments, and remit property taxes derived from such mill levy, together a portion of specific ownership taxes applicable to property within the District to the Managing District, District No. 1, for the payment of administrative and operations expenses.

On June 23, 2021, the District, Loretto Heights Metropolitan District No. 2-4 and Loretto Heights Community Authority, and UMB Bank entered into capital pledge agreements whereby the Districts agreed to impose the required mill levy (as defined therein) and pledge the debt service property tax revenue and specific ownership tax revenue therefore to Loretto Heights Community Authority for pay for the payment of its 2021 Bonds.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. The District has not provided for an emergency reserve equal to at least 3% of fiscal spending for 2025 in the General Fund, as defined under TABOR, as net tax revenue is transferred to District No. 1 which provides for the required reserve. The District has provided for an emergency reserve equal to at least 3% of fiscal spending as defined under TABOR for 2025 for the Special Revenue fund.

This information is an integral part of the accompanying budget.