

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 1
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/21/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ (7,050)	\$ 82,849
REVENUES			
Property taxes	1	3,215	158
Specific ownership tax	-	-	8
Other revenue	-	-	572
Transfer from District No.2	2	7,305	6,303
Transfer from District No.3	-	33,516	25,559
Transfer from District No.4	-	29,335	23,400
Developer advance	4,070,529	542,000	525,900
Transfer from Other Districts	10,904,662	7,500,000	14,500,000
Total revenues	14,975,194	8,115,371	15,081,900
Total funds available	14,975,194	8,108,321	15,164,749
EXPENDITURES			
General Fund	103,553	194,572	215,000
Capital Projects Fund	14,878,691	7,830,900	14,900,000
Total expenditures	14,982,244	8,025,472	15,115,000
Total expenditures and transfers out requiring appropriation	14,982,244	8,025,472	15,115,000
ENDING FUND BALANCES	\$ (7,050)	\$ 82,849	\$ 49,749
EMERGENCY RESERVE	\$ 100	\$ 2,300	\$ 1,700
TOTAL RESERVE	\$ 100	\$ 2,300	\$ 1,700

No assurance provided. See summary of significant assumptions.

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/21/23

ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
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ASSESSED VALUATION

Vacant land	\$ 30	\$ 214,350	\$ 90
Personal property	-	-	10,440
Certified Assessed Value	\$ 30	\$ 214,350	\$ 10,530

MILL LEVY

General	-	15.000	15.000
Total mill levy	-	15.000	15.000

PROPERTY TAXES

General	\$ -	\$ 3,215	\$ 158
Budgeted property taxes	\$ -	\$ 3,215	\$ 158

BUDGETED PROPERTY TAXES

General	\$ -	\$ 3,215	\$ 158
	\$ -	\$ 3,215	\$ 158

No assurance provided. See summary of significant assumptions.

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/21/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ (7,050)	\$ 63,749
REVENUES			
Developer advance	96,500	192,000	145,000
Other revenue	1	-	572
Property taxes	-	3,215	158
Specific ownership tax	-	-	8
Transfer from District No.2	2	7,305	6,303
Transfer from District No.3	-	33,516	25,559
Transfer from District No.4	-	29,335	23,400
Total revenues	96,503	265,371	201,000
Total funds available	96,503	258,321	264,749
EXPENDITURES			
General and administrative			
Accounting	31,343	26,000	30,400
Auditing	-	11,000	12,000
County Treasurer's fee	-	32	2
Dues and licenses	982	2,058	2,500
Insurance and bonds	9,813	20,182	25,000
District management	26,429	25,000	30,000
Legal services	16,450	58,300	44,000
Miscellaneous	18,536	19,500	19,500
Election expense	-	5,500	10,000
Contingency	-	-	6,598
Repairs and maintenance	-	12,000	15,000
Snow removal	-	15,000	20,000
Total expenditures	103,553	194,572	215,000
Total expenditures and transfers out requiring appropriation	103,553	194,572	215,000
ENDING FUND BALANCE	\$ (7,050)	\$ 63,749	\$ 49,749
EMERGENCY RESERVE	\$ 100	\$ 2,300	\$ 1,700
TOTAL RESERVE	\$ 100	\$ 2,300	\$ 1,700

No assurance provided. See summary of significant assumptions.

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/21/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 19,100
REVENUES			
Developer advance	3,974,029	350,000	380,900
Transfers from other Districts - LHC Authority	10,904,662	7,500,000	14,500,000
Total revenues	14,878,691	7,850,000	14,880,900
Total funds available	14,878,691	7,850,000	14,900,000
EXPENDITURES			
Accounting	15,214	40,000	45,600
District management	4,637	15,000	20,000
Repay developer advance	3,974,029	350,000	380,900
Repay developer advance interest	165,817	20,000	20,000
Engineering - Cost Verification	21,523	25,000	35,000
Legal services	12,609	42,900	66,000
Engineering - Project Planning	19,200	-	-
Capital outlay	10,665,662	7,338,000	14,332,500
Total expenditures	14,878,691	7,830,900	14,900,000
Total expenditures and transfers out requiring appropriation	14,878,691	7,830,900	14,900,000
ENDING FUND BALANCE	\$ -	\$ 19,100	\$ -

No assurance provided. See summary of significant assumptions.

**LORETTO HEIGHTS METRO DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The 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 Metro Districts Nos. 1-5 and Loretto Heights Programming 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 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.

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

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 85.000 mills (15 for Operations, 50 for Debt Service, and 20 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.

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.

**LORETTO HEIGHTS METRO DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (continued)

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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% of the property taxes collected.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Transfers

The intergovernmental revenues are transfers from Districts No. 2, 3, 4 and Loretto Heights Community Authority. The District will coordinate the payment of administrative expenditures for these 4 districts, as well as the District's own administrative expenditures. District No. 1 also provides for the construction of certain Public Improvements.

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.

Capital Outlay

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

**LORETTO HEIGHTS METRO DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.