

**HERITAGE RIDGE METROPOLITAN DISTRICT
THE TOWN OF BERTHOUD, STATE OF COLORADO**

2022 ANNUAL REPORT

Pursuant to Section VII of the Service Plan for Heritage Ridge Metropolitan District (the “**District**”) approved by the Town Council of the Town of Berthoud (the “**Town**”), the District is required to submit an annual report to the Town Clerk which reflects activity and financial events of the District. To the best of our actual knowledge, for the year ending December 31, 2022, the District makes the following report:

1. Boundary changes made or proposed:

The District made no boundary changes in the year ended December 31.

2. Agreements with other governmental entities, either entered into, proposed or terminated:

The District did not enter into, propose or terminate any new Intergovernmental Agreements as of December 31.

3. Access information to obtain a copy of the Rules and Regulations:

A copy of the District’s Rules and Regulations can be found on its public website, <https://www.heritageridgemd.com/>.

4. A summary of any litigation involving public improvements by the District:

The District is not aware of any litigation involving public improvements.

5. Status of the construction of public improvements by the District:

The District did not construct or acquire any facilities or improvements in the year ended December 31.

6. A list of all facilities and improvements constructed or acquired by the District and those that have been dedicated to and accepted by the Town:

The District did not construct or acquire any facilities or improvements in the year ended December 31.

7. Final Assessed Value of Taxable Property within the District’s boundaries as of December 31, 2022:

Attached as Exhibit A is a copy of the District’s 2022 certification of assessed valuation.

8. Current annual budget of the District:

Attached as Exhibit B is a copy of the District’s Budget for the current fiscal year 2022.

9. **Audit of District's financial statements, for the year ending December 31st prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable:**

Audited financial statements for 2022 will be filed with the Town Clerk upon completion.

10. **Notice of continuing disclosure undertaking for events of default by the District, which continue beyond a ninety-day period, under any Debt instrument:**

The District is not in default of any debt.

11. **Any inability of the District to pay its obligations as they come due in accordance with the terms of and Debt instruments, which continue beyond a ninety-day period:**

The District is able to pay its obligations.

Respectfully submitted this 1st day of August, 2023.

Respectfully,

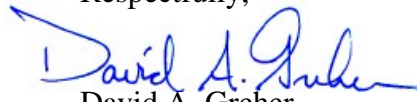

David A. Greher
Attorney for the District

EXHIBIT A
2022 CERTIFICATION OF ASSESSED VALUATION

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 252 - HERITAGE RIDGE METRO DISTRICT

IN LARIMER COUNTY ON 11/23/2021

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$10,879,524
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$12,951,461
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$12,951,461
5. NEW CONSTRUCTION: **	\$801,145
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.): ##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO ON AUGUST 25, 2021

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$154,832,000
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$11,203,200
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2021

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.

EXHIBIT B
2022 BUDGET

HERITAGE RIDGE METROPOLITAN DISTRICT

2022 BUDGET MESSAGE

Heritage Ridge Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in 2015. The District is located in the Town of Berthoud, Colorado and has a service area of approximately 146 acres. The District was organized to plan for, design, acquire, construct, install, relocate, redevelop, provide and finance public improvements and related operation and maintenance services within the boundaries of the District.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

Overview

Highlights of the 2022 budget include the following:

- The District certified a tax levy of 70.664 mills on an assessed value of \$12,951,461.
- The District's operations are expected to be fully funded through its taxes levy.

General Fund

Revenue

Budgeted income in the amount of \$236,871 consists primarily of property taxes from the certified general fund mill levy of 15.000 mills.

Expenses

The District's 2022 general and administrative expenses budgeted amount is \$232,656. Refer to the General Fund summary included with the budget.

Fund Balance/Reserves

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2022, as defined under TABOR. It is anticipated that the District will end the 2022 fiscal year with an ending fund balance of \$7,350.

Special Fund

Revenue

Budgeted revenues consist of pool fees charged to residents. Each homeowner is charged \$204 annually for the operations and maintenance of the District's pool.

Expenses

Budgeted expenses are comprised of the costs to operate, maintain, and service the District's pool.

Debt Service Fund

Revenue

The District certified a debt service fund mill levy of 55.664 mills which will result in \$720,930 in property taxes. Projected revenues from specific ownership tax for 2021 is \$25,465.

Expenses

The District anticipates a debt service expense of \$737,686 in 2022 with an ending fund balance of \$9,709. Refer to the Debt Fund summary included with the budget.

Capital Projects Fund

Revenue/Expenses

The District does not anticipate having any Capital Projects in 2022; therefore, no budget summary is included.

Debt Summary

The District's debt summary is as follows:

Series 2021A Refunding Bond: \$11,265,000; Issued December 23, 2021; Maturity December 1, 2051		
Year	Mandatory Principal*	Scheduled Interest*
2022	150,000	422,007
2023	130,000	441,975
2024	150,000	435,475
2025	155,000	427,975
2026-2051	10,680,000	7,023,000
Total	11,265,000	8,750,432
*Optional redemption can affect future principal and interest payments		
Series 2021B Subordinate Refunding Bonds: \$4,735,000; Issued December 23, 2021; Maturity December 15, 2051		
Principal and Interest payments are subject to prior pledge: 2021A Refunding Bond		

Heritage Ridge Metropolitan District
2022 Budget
General Fund

Modified Accrual Accounting Basis	2020 Actual	2021 Budget	2021 Amended Budget	2022 Budget
Beginning Fund Balance	4,116	-	10,768	3,135
Income				
Fines	375	-	5,125	-
Interest Revenue	118	-	206	-
Design Review Fees	4,600	4,000	4,000	4,000
Property Taxes	140,113	163,193	163,193	194,272
Specific Ownership Taxes	10,112	9,792	12,406	13,599
SOT O&M Carve Out	-	-	-	25,000
Tax Related Interest	13	-	349	-
Other Income	134	-	490	-
Developer Contribution	22,500	-	-	-
Developer Reimbursement	8,699	-	-	-
Total Income	186,664	176,985	185,769	236,871
Expense				
Management & Accounting Services	24,000	28,000	28,000	29,400
Design Review Fees	4,600	4,000	4,000	4,000
Legal	29,393	13,000	23,271	20,000
Audit/Tax Prep	6,000	7,500	15,500	8,500
Election	3,281	-	-	10,000
Insurance	4,457	4,750	3,507	3,682
Treasurers Fees	2,803	3,264	3,265	3,885
Office	2,559	1,235	2,187	3,000
Dues and Compliance	626	650	468	491
Contingency	-	-	-	4,000
Electric	697	600	768	800
Water	44,369	37,000	30,974	35,000
Telephone/Internet	100	-	1,198	1,198
Landscape Contract	33,747	57,000	57,000	79,000
Landscape - Repairs	3,154	2,500	2,277	1,700
Landscape Projects	4,500	2,500	-	9,500
Snow Removal	3,998	7,000	9,312	8,500
Sprinklers	11,728	2,500	11,675	10,000
Total Expense	180,012	171,499	193,402	232,656
Excess Revenue (Expenses)	6,652	5,486	(7,633)	4,215
Ending Fund Balance	10,768	5,486	3,135	7,350

Heritage Ridge Metropolitan District
2022 Budget

Special Fund

Modified Accrual Accounting Basis	2020 Actual	2021 Budget	2021	2022 Budget
			Estimated Actual	
Beginning Fund Balance	3,279	11,432	11,487	15,202
Income				
Pool Fees	59,120	60,450	65,354	79,560
Pool Rental Fees	1,000	-	1,500	-
Developer Contribution	-	-	-	-
Interest Charges	18	-	1,268	-
Total Income	60,138	60,450	68,122	79,560
Expense				
Management	6,000	6,000	6,000	7,500
Pool Hosts	7,711	9,000	-	-
Legal	-	-	-	1,000
Insurance	6,317	6,633	6,633	6,965
Bad Debt Expense	-	1,950	164	2,040
Contingency	271	1,000	13,434	2,000
Electric - Pool	6,098	5,000	6,363	6,800
Gas - Pool	4,058	4,500	5,202	6,500
Water - Pool	1,013	2,000	1,771	2,200
Trash	184	150	150	150
Telephone/Internet	1,659	1,560	1,560	1,560
Pest Control	199	-	400	400
Pool Maintenance - Contract	10,200	11,800	11,800	11,800
Pool Maintenance - Non-Contract	921	500	-	16,000
Pool Supplies	5,679	5,600	578	1,500
Pool Chemicals	1,060	1,100	7,510	8,000
Pool Repairs	-	-	1,442	2,500
Pool Janitorial	560	750	1,400	2,500
Total Expense	51,930	57,543	64,407	79,415
Excess Revenue (Expenses)	8,208	2,907	3,715	145
Ending Fund Balance	11,487	14,339	15,202	15,347

Heritage Ridge Metropolitan District
2022 Budget

Debt Service Fund

Modified Accrual Accounting Basis	2020 Actual	2021 Budget	2021 Amended Budget	2022 Budget
Beginning Fund Balance	96,595	84,860	84,860	-
Income				
Interest Revenue	391	1,000	1,000	1,000
Property Tax	519,949	605,598	605,598	720,930
Specific Ownership Tax	37,526	36,336	36,336	25,465
Gain on Debt Refunding	-	-	1,735,000	-
Debt Proceeds	-	-	16,000,000	-
Total Income	557,866	642,934	18,377,934	747,395
Expense				
Treasurers Fees	10,402	12,112	12,112	14,419
Paying Agent Fees	4,250	5,500	5,500	5,500
Principal - Notes	148,002	70,000	70,000	-
Interest - Notes	164,508	160,650	160,650	-
Principal - Bonds	-	45,000	45,000	150,000
Interest - Bonds	242,439	349,672	349,672	567,767
Costs of Issuance	-	-	450,000	-
Debt Refunding	-	-	17,369,860	-
Advance Principal	-	-	-	-
Total Expense	569,601	642,934	18,462,794	737,686
Excess Revenue (Expenses)	(11,735)	-	(84,860)	9,709
Ending Fund Balance	84,860	84,860	-	9,709