

**RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
HERITAGE GREENS METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HERITAGE GREENS METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024

WHEREAS, the Board of Directors of the Heritage Greens Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 6, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ 257,273 ; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ 0 ; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 275,247 ; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ 0 ; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of Arapahoe County is \$53,654,365; and

WHEREAS, at an election held on November 3, 2009, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HERITAGE GREENS METROPOLITAN DISTRICT OF ARAPAHOE COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Heritage Greens Metropolitan District for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 4.795 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 5.130 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of Arapahoe County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Arapahoe County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 6th day of December, 2023.

HERITAGE GREENS METROPOLITAN
DISTRICT

Ray W Stahl
President

ATTEST:

Arthur R Stewart
Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

**HERITAGE GREENS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024**

**HERITAGE GREENS METROPOLITAN DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 610,651	\$ 666,269	\$ 740,770
REVENUES			
Property taxes	506,362	504,844	532,520
Specific ownership taxes	32,484	34,277	31,951
Interest income	14,541	50,203	28,000
Reimbursed expenditures	3,320	-	-
Total revenues	<u>556,707</u>	<u>589,324</u>	<u>592,471</u>
Total funds available	<u>1,167,358</u>	<u>1,255,593</u>	<u>1,333,241</u>
EXPENDITURES			
General Fund	229,404	239,000	274,000
Debt Service Fund	271,685	275,823	283,000
Capital Projects Fund	-	-	57,156
Total expenditures	<u>501,089</u>	<u>514,823</u>	<u>614,156</u>
Total expenditures and transfers out requiring appropriation	<u>501,089</u>	<u>514,823</u>	<u>614,156</u>
ENDING FUND BALANCES	<u>\$ 666,269</u>	<u>\$ 740,770</u>	<u>\$ 719,085</u>
EMERGENCY RESERVE	\$ 8,100	\$ 8,600	\$ 9,300
AVAILABLE FOR OPERATIONS	392,471	436,861	469,385
TOTAL RESERVE	<u>\$ 400,571</u>	<u>\$ 445,461</u>	<u>\$ 478,685</u>

**HERITAGE GREENS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 34,370,940	\$ 33,505,713	\$ 46,558,311
Commercial	5,208,879	5,244,896	6,482,329
Industrial	87,000	87,000	83,700
State assessed	2,860	4,430	4,740
Vacant land	325	325	315
Personal property	379,530	478,780	524,970
Certified Assessed Value	\$ 40,049,534	\$ 39,321,144	\$ 53,654,365

MILL LEVY

General	5.745	5.814	4.795
Debt Service	6.900	7.025	5.130
Total mill levy	12.645	12.839	9.925

PROPERTY TAXES

General	\$ 230,084	\$ 228,613	\$ 257,273
Debt Service	276,342	276,231	275,247
Levied property taxes	506,426	504,844	532,520
Adjustments to actual/rounding	(64)	-	-
Budgeted property taxes	\$ 506,362	\$ 504,844	\$ 532,520

BUDGETED PROPERTY TAXES

General	\$ 230,055	\$ 228,613	\$ 257,273
Debt Service	276,307	276,231	275,247
	\$ 506,362	\$ 504,844	\$ 532,520

**HERITAGE GREENS METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 357,136	\$ 400,571	\$ 445,461
REVENUES			
Property taxes	230,055	228,613	257,273
Specific ownership taxes	32,484	34,277	31,951
Interest income	6,980	21,000	18,000
Reimbursed expenditures	3,320	-	-
Total revenues	<u>272,839</u>	<u>283,890</u>	<u>307,224</u>
TRANSFERS IN			
Total funds available	<u>629,975</u>	<u>684,461</u>	<u>752,685</u>
EXPENDITURES			
General and administrative			
Accounting	16,866	22,000	25,000
Auditing	4,150	4,750	5,000
County Treasurer's fee	3,458	3,429	3,859
Directors' fees	1,600	1,500	2,000
Dues and membership	688	514	735
Insurance	12,478	14,832	16,000
Legal	11,350	13,000	18,000
Miscellaneous	136	2,388	3,406
Election	1,238	1,587	-
HOA maintenance agreement	150,000	150,000	150,000
Operations and maintenance			
Repairs and maintenance	27,440	25,000	50,000
Total expenditures	<u>229,404</u>	<u>239,000</u>	<u>274,000</u>
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	<u>229,404</u>	<u>239,000</u>	<u>274,000</u>
ENDING FUND BALANCES	<u>\$ 400,571</u>	<u>\$ 445,461</u>	<u>\$ 478,685</u>
EMERGENCY RESERVE	\$ 8,100	\$ 8,600	\$ 9,300
AVAILABLE FOR OPERATIONS	392,471	436,861	469,385
TOTAL RESERVE	<u>\$ 400,571</u>	<u>\$ 445,461</u>	<u>\$ 478,685</u>

No assurance provided. See summary of significant assumptions.

**HERITAGE GREENS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 201,022	\$ 212,301	\$ 239,154
REVENUES			
Property taxes	276,307	276,231	275,247
Interest income	6,657	26,445	9,000
Total revenues	<u>282,964</u>	<u>302,676</u>	<u>284,247</u>
Total funds available	<u>483,986</u>	<u>514,977</u>	<u>523,401</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	4,153	4,143	4,129
Paying agent fees	300	300	300
Contingency	-	-	3,331
Debt Service			
Bond interest - 2013	6,150	3,150	-
Loan interest - 2017	51,082	48,230	45,240
Bond Principal - 2013	100,000	105,000	-
Loan principal - 2017	110,000	115,000	230,000
Total expenditures	<u>271,685</u>	<u>275,823</u>	<u>283,000</u>
ENDING FUND BALANCES	<u>\$ 212,301</u>	<u>\$ 239,154</u>	<u>\$ 240,401</u>

**HERITAGE GREENS METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 52,493	\$ 53,397	\$ 56,156
REVENUES			
Interest income	904	2,759	1,000
Total revenues	904	2,759	1,000
Total funds available	53,397	56,156	57,156
EXPENDITURES			
Capital Projects			
Recreation center and pool	-	-	57,156
Total expenditures	-	-	57,156
ENDING FUND BALANCES	\$ 53,397	\$ 56,156	\$ -

**HERITAGE GREENS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized in 1979 to finance and construct certain street improvements in its service area in Arapahoe County. During 2002, the District amended and restated its service plan to allow the District to provide for the financing, acquisition, design, construction, repair, replacement, removal, substitution, expansion, renewal, operation and maintenance of landscaping and streetscape features, the Heritage Greens recreation center and traffic safety facilities.

The budget is in accordance with the TABOR Amendment limitations, which were modified by elections held on November 5, 2002, and November 3, 2009. In 2002, the qualified electors approved the incurrence of debt up to \$1,500,000 for the purpose of reconstructing perimeter walls and making capital repairs to entryways to Heritage Greens. The voters also approved an increase in property taxes of \$60,100 for collection in 2003 and the amount resulting from the imposition of 2 mills annually thereafter to pay the cost of the District's operations and maintenance functions. In 2009, the qualified electors approved the incurrence of debt up to \$2,750,000 for the purpose of replacing the community recreation center and pool in Heritage Greens. The voters also approved an increase in property taxes of \$150,000 for collection in 2010 and each year thereafter, to pay for the District's operations and maintenance functions.

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.

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.

**HERITAGE GREENS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenue – (continued)

Property Taxes (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 with the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.0%.

Expenditures

Debt Service

During 2017, the District entered into a loan agreement (General Obligation Refunding Loan, Series 2017) with JPMorgan Chase Bank, NA to obtain a loan in the amount of \$2,355,000 for the purpose of partially refunding the Series 2010 bonds. The maturity date of the Loan is December 1, 2030, with an interest rate of 2.60%, paid semiannually on June 1 and December 1.

Administrative Expenditures

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance and other administrative expenses. Repairs and maintenance costs are for providing such services related to the community recreation center and pool and perimeter walls.

Capital Expenditures

Capital expenditures are reflected on page 6 of the budget document.

**HERITAGE GREENS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

As of December 31, 2023, the District had outstanding debt of \$1,740,000 General Obligation Refunding Loan, Series 2017 dated May 1, 2017.

The District does not have any operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2024 as defined under TABOR.

This information is an integral part of the accompanying budget.

**HERITAGE GREENS METROPOLITAN DISTRICT
SCHEDULE OF ESTIMATED DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$2,355,000 General Obligation
Refunding Loan
Series 2017
Interest Rates of 2.60%
Principal Due on December 1
Interest Due on June 1 and December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2024	\$ 230,000	\$ 45,240	\$ 275,240
2025	235,000	39,260	274,260
2026	240,000	33,150	273,150
2027	250,000	26,910	276,910
2028	255,000	20,410	275,410
2029	260,000	13,780	273,780
2030	270,000	7,020	277,020
	<u>\$ 1,740,000</u>	<u>\$ 185,770</u>	<u>\$ 1,925,770</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of ARAPAHOE COUNTY, Colorado.

On behalf of the HERITAGE GREENS METROPOLITAN DISTRICT,
(taxing entity)^A
 the BOARD OF DIRECTORS,
(governing body)^B
 of the HERITAGE GREENS METROPOLITAN DISTRICT,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 53,654,365 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 53,654,365 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/14/23 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

<u>PURPOSE</u> <small>(see end notes for definitions and examples)</small>	<u>LEVY²</u>	<u>REVENUE²</u>
1. General Operating Expenses ^H	4.795 mills	\$257,273
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	4.795 mills	\$257,273
3. General Obligation Bonds and Interest ^J	5.130 mills	\$275,247
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	9.925 mills	\$532,520

Contact person: Carrie Bartow Phone: (719) 635-0330
 Signed: Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|--|
| 1. | Purpose of Issue: | Capital Infrastructure |
| | Series: | 2017 General Obligation Refunding Loan |
| | Date of Issue: | May 1, 2017 |
| | Coupon Rate: | 2.60% |
| | Maturity Date: | December 1, 2030 |
| | Levy: | 5.130 |
| | Revenue: | \$275,247 |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.