

HERITAGE HILLS METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

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

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 4,589,866	\$ 4,866,256	\$ 4,916,059
REVENUES			
Property taxes	2,156,178	2,160,109	2,311,331
Specific ownership taxes	190,671	210,000	208,020
Interest income	92,456	270,000	135,000
Insurance proceeds	3,918	12,500	-
Reimbursed expenditures	5,825	-	-
Other revenue	8,575	8,000	8,000
Total revenues	<u>2,457,623</u>	<u>2,660,609</u>	<u>2,662,351</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>4,718,000</u>
Total funds available	<u>7,047,489</u>	<u>7,526,865</u>	<u>12,296,410</u>
EXPENDITURES			
General Fund	2,181,233	2,610,806	2,280,000
Capital Projects Fund	-	-	2,400,000
Total expenditures	<u>2,181,233</u>	<u>2,610,806</u>	<u>4,680,000</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>4,718,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,181,233</u>	<u>2,610,806</u>	<u>9,398,000</u>
ENDING FUND BALANCES	<u>\$ 4,866,256</u>	<u>\$ 4,916,059</u>	<u>\$ 2,898,410</u>
EMERGENCY RESERVE	\$ 73,800	\$ 79,900	\$ 79,900
OPERATIONS RESERVE	500,000	500,000	500,000
CAPITAL RESERVE	4,292,456	4,336,159	2,318,000
TOTAL RESERVE	<u>\$ 4,866,256</u>	<u>\$ 4,916,059</u>	<u>\$ 2,897,900</u>

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

1/26/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential - single family	\$ 52,750,200	\$ 51,907,200	\$ 69,264,970
State assessed	3,200	5,300	5,400
Vacant land	769,100	66,400	-
Personal property	381,800	531,200	564,700
Certified Assessed Value	\$ 53,904,300	\$ 52,510,100	\$ 69,835,070

MILL LEVY

General	40.000	41.137	33.097
Total mill levy	40.000	41.137	33.097

PROPERTY TAXES

General	\$ 2,156,172	\$ 2,160,109	\$ 2,311,331
Levied property taxes	2,156,172	2,160,109	2,311,331
Adjustments to actual/rounding	293	-	-
Refunds and abatements	(287)	-	-
Budgeted property taxes	\$ 2,156,178	\$ 2,160,109	\$ 2,311,331

BUDGETED PROPERTY TAXES

General	\$ 2,156,178	\$ 2,160,109	\$ 2,311,331
	\$ 2,156,178	\$ 2,160,109	\$ 2,311,331

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

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 4,589,866	\$ 4,866,256	\$ 4,916,059
REVENUES			
Property taxes	2,156,178	2,160,109	2,311,331
Specific ownership taxes	190,671	210,000	208,020
Interest income	92,456	270,000	135,000
Reimbursed expenditures	5,825	-	-
Other revenue	8,575	8,000	8,000
Insurance proceeds	3,918	12,500	-
Total revenues	<u>2,457,623</u>	<u>2,660,609</u>	<u>2,662,351</u>
Total funds available	<u>7,047,489</u>	<u>7,526,865</u>	<u>7,578,410</u>
EXPENDITURES			
General and administrative			
Accounting	49,812	62,000	70,500
Auditing	3,800	4,500	5,100
County Treasurer's fee	32,368	32,402	34,670
Directors' fees	9,100	10,500	12,000
Public relations	20,603	-	-
Insurance	21,612	26,470	30,000
District management	100,166	180,000	200,000
Legal	59,656	120,000	132,000
Miscellaneous	6,894	5,000	7,500
Election	24,417	12,000	50,000
Contingency	-	-	25,833
Total General and administrative	<u>328,428</u>	<u>452,872</u>	<u>567,603</u>
Operations and maintenance			
Street lighting	22,013	25,000	30,000
Landscaping	600,320	673,150	688,897
Engineering	7,618	54,084	26,000
Fence and sign maintenance	8,554	40,000	40,000
Street maintenance	594,887	635,000	2,500
Recreational expense	317,955	218,000	375,000
Gated entrance	67,794	135,200	142,000
Seasonal lights	40,937	57,500	58,000
Snow removal	79,945	225,000	250,000
Utilities	112,782	95,000	100,000
Total expenditures	<u>1,852,805</u>	<u>2,157,934</u>	<u>1,712,397</u>
TRANSFERS OUT			
Transfers to other fund	-	-	4,718,000
Total expenditures and transfers out requiring appropriation	<u>2,181,233</u>	<u>2,610,806</u>	<u>6,998,000</u>
ENDING FUND BALANCES	<u>\$ 4,866,256</u>	<u>\$ 4,916,059</u>	<u>\$ 580,410</u>
EMERGENCY RESERVE	\$ 73,800	\$ 79,900	\$ 79,900
OPERATIONS RESERVE	500,000	500,000	500,000
CAPITAL RESERVE	4,292,456	4,336,159	-
TOTAL RESERVE	<u>\$ 4,866,256</u>	<u>\$ 4,916,059</u>	<u>\$ 579,900</u>

**HERITAGE HILLS METROPOLITAN DISTRICT
GENERAL FUND
SCHEDULE OF EXPENDITURE DETAILS
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
EXPENDITURES			
Landscaping			
LS Maint - Maint contract	\$ 150,900	\$ 124,000	\$ 165,600
LS Maint - Annual Color Installation	26,610	39,000	40,206
LS Maint - Japanese Beetle/Grub Program	-	-	4,600
LS Maint - High Tree Pruning and Removals	-	-	30,000
LS Maint - Tree Care Program	-	-	74,901
LS Maint - Plant Additions on Parkway	-	-	25,000
LS Maint - Additional Turf Care - Fiesta and Fall Seeding	-	-	38,440
LS Maint - Additional Projects	-	-	18,000
LS Maint - Deep Root Water Trees	-	-	15,000
LS Maint - Topdress Mulch Beds	-	-	189,000
LS Maint - Mulch Annual Beds	-	-	5,500
LS Maint - Irrigation Repairs and Upgrades	15,046	55,000	65,000
LS Maint - Irrigation reimbursement	450	650	650
LS Maint - Pest Control	5,885	9,500	12,000
LS Maint - ET Water Systems annual subscription	10,037	-	-
LS Maint - Tree Maintenance	61,952	120,000	-
LS Maint - Misc	41,325	105,000	-
LS Maint - Remulching	11,870	120,000	-
LS Maint - Trash Bins	3,751	-	5,000
LS Maint - Entry way refurbishment	272,494	100,000	-
LS Maint - Capital - other	-	-	-
Total Landscaping	600,320	673,150	688,897
Fence and sign maintenance			
Fence and sign maintenance	253	25,000	25,000
Fence/sign - Monument	8,301	15,000	15,000
Total Fence and sign maintenance	8,554	40,000	40,000
Street maintenance			
Streets repairs and maintenance	544,342	520,000	-
Street - Engineering oversight	50,545	115,000	-
Street sweeping	-	-	2,500
Total Street maintenance	594,887	635,000	2,500
Recreational expense			
Rec - Century Link	3,823	3,500	5,000
Rec - Pool monitoring & repairs	8,515	1,500	25,000
Rec - Clubhouse cleaning	2,390	2,000	5,000
Rec - Pool maint/lifeguards	161,525	180,000	200,000
Rec - Pool improvements	120,292	-	25,000
Rec - Tennis court R&M	11,814	3,500	30,000
Rec - Misc. building maint & repairs/furniture	9,597	2,500	10,000
Rec - Pool operations & maintenance	-	7,500	65,000
Rec - Playground equipment, maintenance & repairs	-	7,500	10,000
Rec - Pavilion and Picnic Tables	-	10,000	-
Total Recreational expense	317,956	218,000	375,000
Engineering			
Brick wall study	-	54,084	-
Clubhouse remodel	-	-	-
Pond Study	-	-	-
Stormwater management	6,518	-	25,000
Other expense	-	-	-
Website	1,100	-	1,000
Total Engineering	7,618	54,084	26,000
Gated entrance			
Gated Entr-Internet Service	3,205	3,200	22,000
Gated Entr-Internet upgrades	-	-	50,000
GatedEntr-Gate R&M	20,218	125,000	50,000
GatedEntr-Security	44,370	7,000	20,000
Total Gated entrance	67,793	135,200	142,000
Street Lighting	22,013	25,000	30,000
Seasonal Lights	40,937	57,500	58,000
Snow Removal	79,945	225,000	250,000
Utilities	112,782	95,000	100,000
	\$ 1,852,805	\$ 2,157,934	\$ 1,712,397

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

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
TRANSFERS IN			
Transfers from other funds	-	-	4,718,000
Total funds available	-	-	4,718,000
EXPENDITURES			
General and Administrative			
Accounting	-	-	10,000
District management	-	-	30,000
Legal	-	-	20,000
Capital Projects			
Community improvement	-	-	100,000
Overlook Park improvements	-	-	700,000
New/replacement trees	-	-	40,000
Brick wall	-	-	380,000
Gated Entrance - gates	-	-	100,000
Gated Entrance - cameras	-	-	100,000
Streets	-	-	500,000
Engineering - clubhouse remodel	-	-	300,000
Engineering - other	-	-	120,000
Total expenditures	-	-	2,400,000
Total expenditures and transfers out requiring appropriation	-	-	2,400,000
ENDING FUND BALANCES	\$ -	\$ -	\$ 2,318,000
CAPITAL RESERVE	\$ -	\$ -	\$ 2,318,000
TOTAL RESERVE	\$ -	\$ -	\$ 2,318,000

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

Services Provided

Heritage Hills Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court in Douglas County on July 12, 1996, and is governed pursuant to provisions of the Colorado Special District Act (Title 21, Article 1, Colorado Revised Statutes). The District's service area is located in Douglas County, Colorado. The District was established for the purpose of providing facilities including public street improvements, storm sewer facilities, and park and recreation facilities, in addition to operating and maintaining such facilities, or transferring them to other political subdivisions for operations and maintenance. Furthermore, the District was formed for the purpose of operating and maintaining streets owned by the Heritage Hills Homeowners Association, Inc., as well as District-owned security facilities.

In August 2001, Heritage Hills Metropolitan District was annexed into the City of Lone Tree ("City"). As part of the annexation agreement, the City provides trash collection and police protection services for residents within the District.

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 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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

Revenues - (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%			

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.

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 9% of the property taxes collected by the General Fund.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%.

Other Income

Other income includes various miscellaneous revenues including clubhouse rental fees and transponder fees.

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

Expenditures

Administrative and Operating Expenditures

These expenditures are based upon current year's expenditures and negotiated maintenance contracts. Administrative and operating expenditures include legal, accounting and management costs as well as costs to maintain the common area landscaping and fencing, recreational facilities and activities, security gates, and streets.

Capital Outlay

The District anticipates capital improvements as noted in the Capital Projects Fund.

Debt & Leases

The District has no outstanding debt, capital or operating leases.

Reserves

Emergency Reserve

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

Operations Reserve

The District maintains a reserve for operations of \$500,000.

Capital Reserve

The District has provided for a capital reserve for future capital projects and replacements.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of DOUGLAS COUNTY, Colorado.

On behalf of the HERITAGE HILLS METROPOLITAN DISTRICT,

the BOARD OF DIRECTORS (taxing entity)^A

of the HERITAGE HILLS METROPOLITAN DISTRICT (governing body)^B
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 69,835,070
 (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: \$ 69,835,070
 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/08/24 for budget/fiscal year 2024
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>33.097</u> mills	\$ <u>2,311,331</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	33.097 mills	\$ 2,311,331
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	33.097 mills	\$ 2,311,331

Contact person: Gigi Pangindian Phone: (303)779-5710
 Signed: Gigi Pangindian 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: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

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.