

# PAINT BRUSH HILLS METROPOLITAN DISTRICT

## 2014 Budget Message

### Introduction

The budget reflects the projected spending plan for the 2014 fiscal year based on available revenues. This budget provides for the general operation of the District, a business like enterprise for the wastewater collection, water distribution and conservation trust revenue and expenditures.

The District's assessed value decreased 3.3% to \$14,932,100 in 2013 for the 2014 budget year. The District's mill levy remained the same at 22.107 mills. All taxes collected in the 2014 fiscal year are dedicated to the General Fund.

The District was formed in 1986 for the purpose of providing wastewater collection, water and park services. The District currently serves customers in the service area which is located in El Paso County. No change in the level of service is anticipated during 2014.

### Budgetary Basis of Accounting

The District uses funds to budget and report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions. The various funds determine the total District budget. District's General Fund and Capital funds are considered Governmental Funds and are reported using the economic resources focus and the accrual basis of accounting. The District's Sanitation Enterprise Fund is also reported using the economic resources focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

### Fund Summaries

**General Fund** is used to account for resources traditionally associated with government such as property taxes, and specific ownership tax. Expenditures which include district administration, legal services, park services and other expenses related to statutory operations of a local government. The General Fund's primary sources of revenue are property taxes and specific ownership taxes.

**Water and Wastewater Enterprise Fund** accounts for the operations that are financed and operated in a manner similar to private business enterprise, where the intent is that costs of providing services to the public on a continuing basis be financed primarily through user charges. Below are details of an outstanding Lease Purchase Agreement.

Principal and Interest	\$ 3,500,000		
Maturing in the Year	<u>2005 Lease Purchase Agreement Amended 2013</u>		
Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	265,945	97,342	363,288
2015	2,190,142	22,881	2,213,023
Total	<u>2,456,087</u>	<u>120,223</u>	<u>2,576,311</u>

**Emergency Reserve**

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year expenditures in the General Fund.

**PAINT BRUSH HILLS METROPOLITAN DISTRICT**  
**Assessed Value, Property Tax and Mill Levy Information**

	<b>2012</b>		<b>2013</b>		<b>2014</b>
	<b>Adopted Budget</b>		<b>Adopted Budget</b>		<b>Adopted Budget</b>
<b>Assessed Valuation</b>	\$ 16,993,270	\$	15,435,880	\$	14,932,100
<b>Mill Levy</b>					
General Fund	22.107		22.107		22.107
Debt Service Fund	0.000		0.000		0.000
Temporary Mill Levy Reduction	0.000		0.000		0.000
Refunds and Abatements	0.000		0.000		0.000
<b>Total Mill Levy</b>	<b>22.107</b>		<b>22.107</b>		<b>22.107</b>
<b>Property Taxes</b>					
General Fund	\$ 375,670	\$	341,241	\$	330,104
Debt Service Fund	-		-		-
Temporary Mill Levy Reduction	-		-		-
Refunds and Abatements	-		-		-
<b>Actual/Budgeted Property Taxes</b>	<b>\$ 375,670</b>	<b>\$</b>	<b>341,241</b>	<b>\$</b>	<b>330,104</b>

**PAINT BRUSH HILLS METROPOLITAN DISTRICT**

**GENERAL FUND  
2014 ADOPTED BUDGET**

with 2012 Actual, 2013 Adopted Budget, 2013 Estimate

	2012 Actual	2013 Adopted Budget	2013 Estimate	2014 Adopted Budget
1-501 BEGINNING FUNDS AVAILABLE	\$ -	\$ 469,598	\$ 386,294	\$ 543,370
<b>REVENUE</b>				
1-510 Property Tax	-	332,480	340,280	330,104
1-515 Specific Ownership Tax	-	30,000	36,000	26,500
1-560 Interest Income	-	500	1,000	1,000
1-560 Refunds	-	1,500	1,500	1,500
1-575 Miscellaneous Income	-	-	511	-
<b>Total Revenue</b>	-	364,480	379,291	359,104
<b>Total Funds Available</b>	-	834,078	765,585	902,474
<b>EXPENDITURES</b>				
1-615 Audit	-	5,700	5,200	5,200
1-620 Director's Fees	-	8,000	8,000	8,000
1-625 Employee Wages	-	-	30,548	31,770
1-626 Payroll Taxes	-	-	4,674	4,861
1-635 Elections/Board Meetings	-	-	108	15,000
1-670 Insurance	-	10,000	14,337	-
1-675 Legal	-	60,000	25,000	25,000
1-680 Management	-	61,750	75,000	96,000
1-685 Miscellaneous	-	-	-	-
1-687 Bank Charges	-	500	500	500
1-688 Dues/Subscriptions/Conferences	-	2,100	2,100	2,500
1-690 Office Rent and Expense	-	50,000	19,579	15,600
1-691 Office Utilities	-	-	5,200	2,346
1-693 Office Supplies	-	-	26,865	10,000
1-694 Postage	-	-	-	250
1-695 Telephone	-	-	-	1,800
1-696 Accounting	-	19,250	-	-
1-700 County Treasurer's Fees	-	-	5,104	4,952
1-722 Parks & Property Ground Mtce	-	42,000	-	25,000
1-723 Parks Mtce & Repairs	-	-	-	1,000
1-724 Parks & Property Landscaping	-	-	-	6,000
1-725 Parks & Property Facility Improve	-	10,000	-	21,250
1-890 Transfer to Enterpirse Fund	-	-	-	69,202
Stormwater Facilities Maintenance	-	-	-	15,000
<b>Total Expenditures</b>	-	269,300	222,215	361,230
1-895 Emergency Reserve	-	-	-	8,761
<b>Total Expenditures Requiring Appropriation</b>	-	269,300	222,215	369,991
<b>ENDING FUNDS AVAILABLE</b>	\$ -	\$ 564,778	\$ 543,370	\$ 532,483

**PAINT BRUSH HILLS METROPOLITAN DISTRICT**

**ENTERPRISE FUND**

**2014 ADOPTED BUDGET**

with 2012 Actual, 2013 Adopted Budget, 2013 Estimate

	2012 Actual	2013 Adopted Budget	2013 Estimate	2014 Adopted Budget
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4-501 <b>BEGINNING FUNDS AVAILABLE</b>	\$ 13,918	\$ -	\$ 350,000	\$ 370,756
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**REVENUE**

4-520 Base Fees	-	252,000	245,000	259,560
4-521 Builder Fees	-	900	500	6,120
4-525 Wastewater-Church	-	406	300	480
4-526 Wastewater-Residential	-	144,840	141,051	148,920
4-527 Wastewater-School	-	5,400	5,400	6,000
4-532 Water-Church	-	240	100	300
4-533 Water-Commercial	-	500	-	-
4-534 Water-Residential	-	323,760	323,760	599,062
4-536 Water-School	-	64,400	50,000	61,000
4-540 Availability of Service Fees	-	600	600	1,600
4-542 Meters	-	2,500	-	3,200
4-550 Inspection Fees	-	900	300	300
4-551 Tap Fees	-	65,150	-	54,529
4-555 Residential Repairs	-	-	1,000	3,205
4-560 Interest	-	-	150	300
4-562 Tank Rental-Antennas	-	4,800	4,800	4,800
4-575 Other Operating Revenue	-	-	133	-
4-590 Transfer from General Fund	-	-	-	69,202
Bulk Water Sales	-	-	-	1,500

<b>Total Revenue</b>	-	866,396	773,094	1,220,078
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<b>Total Funds Available</b>	13,918	866,396	1,123,094	1,590,834
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**EXPENDITURES**

4-625 Employee Wages	-	-	88,500	95,000
4-626 Payroll Taxes	-	-	6,770	7,268
4-675 Legal	-	-	2,880	-
4-715 Hydrologist	-	2,000	10,000	-
4-716 Engineer-Other	-	18,000	24,535	30,000
4-730 Analytical Testing	-	-	3,043	7,000
4-731 Chemical/Equipment	-	10,000	10,000	10,000
4-732 Misc Supplies and Tools	-	10,000	-	10,000
4-734 OPS Certification and Training	-	3,000	-	3,000
4-740 Billing Expense	-	30,000	-	8,500
4-741 Meter Reading	-	-	-	-
4-742 Radio Meter Repairs	-	-	-	-
4-743 Meters-Residential Repairs/Replacement	-	-	-	2,981
4-750 Bulk Water Purchases	-	32,800	-	36,000
4-753 Tap Fees - WHMD IGA	-	20,000	-	16,000
4-755 Collection System Repair Mtce	-	12,000	-	30,000
4-756 Port-O-Let Fees	-	-	-	500
4-757 Pumphouse Mtce	-	22,000	-	5,000
4-758 Well Repair Mtce (Source Water)	-	-	-	20,000
4-759 Storage Tank Repairs/Mtce	-	150,000	-	1,000
4-760 Roadway and Waterline Repairs	-	5,000	-	6,000

	2012 Actual	2013 Adopted Budget	2013 Estimate	2014 Adopted Budget
4-769 Utilities		160,000	150,000	160,000
4-790 Vehicle Mtce & Operation Expense		18,000	-	18,000
4-797 Wastewater-Mtce, Repair, Equip		29,330	-	-
4-798 Wastewater Collection Exp	-	97,631	39,364	-
4-700 Water Oper-Orc	-	-	-	-
4-850 Easements and Properties	-	5,000	499	4,000
4-852 Capital-Heavy Equip, Vehicles	-	15,000	8,400	11,000
4-853 Water Lines and Augmentation	-	-	20,588	-
4-854 Pumps Upgrade & Repair	-	-	121,813	-
4-855 Pumphouses	-	30,000	-	6,000
4-857 Booster Station	-	10,000	-	10,000
4-862 Water Infrastructure	-	43,850	-	-
4-862 Well Construction	-	75,000	-	200,000
4-875 Principal Wells Fargo Lease	-	161,408	161,408	161,408
4-876 Interest Wells Fargo Lease	-	104,538	104,538	104,538
Operator Phone Allowance				2,640
Unallocated Reserve for Contingencies				75,000
Capitla Outlay Reserve				300,000
<b>Total Expenditures Requiring Appropriation</b>	-	1,064,557	752,338	1,340,835

<b>ENDING FUNDS AVAILABLE</b>	\$	13,918	\$	(198,161)	\$	370,756	\$	250,000
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**PAINT BRUSH HILLS METROPOLITAN DISTRICT**

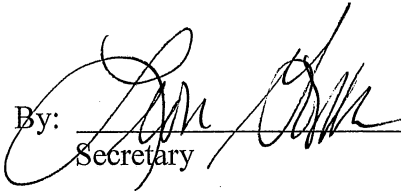
**CONSERVATION TRUST FUND  
2014 ADOPTED BUDGET**

with 2012 Actual, 2013 Adopted Budget, 2013 Estimate

	2012 Actual	2013 Adopted Budget	2013 Est Budget	2014 Adopted Budget
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ 5,592	\$ 14,162
<b>REVENUE</b>				
CTF Revenue	-	10,000	8,570	10,000
GOCO Grant	-	25,000	-	-
Interest	-	-	-	-
<b>Total Revenue</b>	-	35,000	8,570	10,000
<b>Total Funds Available</b>	5,592	35,000	14,162	24,162
<b>EXPENDITURES</b>				
South Manchester Park Shelter				10,000
<b>Total Expenditures</b>	-	-	-	10,000
<b>Total Expenditures Requiring Appropriation</b>	-	-	-	10,000
<b>ENDING FUND BALANCE</b>	\$ 5,592	\$ 35,000	\$ 14,162	\$ 14,162

**CERTIFICATION:**

I, Leon Gomes, hereby certify that I am the duly appointed Secretary of the Paint Brush Hills Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2014, duly adopted at a meeting of the Board of Directors of the Paint Brush Hills Metropolitan District held on November 21, 2013.

By:  \_\_\_\_\_  
Secretary