

PAINT BRUSH HILLS METROPOLITAN DISTRICT

2015 Budget Message

Introduction

The budget reflects the projected spending plan for the 2015 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 0.3% to \$14,886,810 in 2014 for the 2015 budget year. The District's mill levy remained the same at 22.107 mills. All taxes collected in the 2015 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 2015.

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.

Paint Brush Hills Metropolitan District			
Principal and Interest	\$ 3,500,000		
Maturing in the Year	2005 Lease Purchase Agreement Amended 2013		
Ending December 31,	Principal	Interest	Total
2015	175,934	90,012	265,945
2016	183,427	82,518	265,945
2017	191,728	74,217	265,945
2018	200,155	65,790	265,945
2019	208,952	56,993	265,945
2020	217,993	47,953	265,945
2021	227,717	38,228	265,945
2022	237,726	28,220	265,945
2023	248,174	17,771	265,945
2024	259,053	6,892	265,945
2025	18,211	67	18,278
Total	175,934	90,012	265,945

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

	2013		2014		2015
	Adopted Budget		Adopted Budget		Adopted Budget
Assessed Valuation	\$ 15,435,880	\$	14,932,100	\$	14,886,810
Mill Levy					
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
Total Mill Levy	22.107		22.107		22.107
Property Taxes					
General Fund	\$ 341,241	\$	330,104	\$	329,103
Debt Service Fund	-		-		-
Temporary Mill Levy Reduction	-		-		-
Refunds and Abatements	-		-		-
Actual/Budgeted Property Taxes	\$ 341,241	\$	330,104	\$	329,103

PAINT BRUSH HILLS METROPOLITAN DISTRICT

GENERAL FUND

2015 ADOPTED BUDGET

with 2013 Actual, 2014 Adopted Budget, 2014 Estimate

	2013 Actual	2014 Adopted Budget	2014 Estimate	2015 Adopted Budget
BEGINNING FUNDS AVAILABLE	\$ 134,668	\$ 286,120	\$ 100,642	\$ 113,873
REVENUE				
Property Tax	340,836	330,104	340,280	329,103
Specific Ownership Tax	36,734	26,500	34,500	34,000
Interest Income	982	1,000	300	200
Refunds	-	1,500	1,500	1,500
Tank Rental for Antennas	416	-	-	-
Miscellaneous Income	511	-	511	-
Total Revenue	379,478	359,104	377,091	364,803
Total Funds Available	514,146	645,224	477,733	478,676
EXPENDITURES				
Audit	5,513	5,200	3,975	4,200
Director's Fees	6,600	8,000	6,700	8,000
Employee Wages	34,876	31,770	30,548	27,325
Payroll Taxes	2,819	4,861	2,900	2,090
Payroll Processing	347	-	1,959	2,000
Health Insurance	-	6,012	5,633	6,257
Elections/Board Meetings	108	15,000	12,466	500
Insurance	19,634	20,457	22,968	23,500
Legal	47,518	25,000	48,000	50,000
Management	86,975	96,000	75,000	76,150
Miscellaneous	4,820	-	3,000	3,000
Bank Charges	707	500	1,000	1,000
Dues/Subscriptions/Conferences	1,894	2,500	1,500	2,000
Office Rent and Expense	18,107	15,600	15,355	15,847
Office Utilities	4,434	2,346	3,000	2,200
Office Equipment	710	-	-	6,930
Office Supplies	22,025	10,000	7,500	7,500
Postage	2,728	250	750	750
Telephone	5,194	1,800	1,800	1,800
Accounting	20,920	-	21,000	17,350
County Treasurer's Fees	5,113	4,952	5,104	4,937
Parks and Property-Entry Lighting	2,968	-	-	-
Parks & Property Ground Mtce	40,788	25,000	22,000	23,100
Parks Mtce & Repairs	8,937	1,000	1,000	1,000
Parks & Property Landscaping	3,473	6,000	1,500	7,000
Parks & Property Facility Improve	3,619	21,250	-	21,250
Stormwater Facilities Maintenance	-	15,000	-	1,000
Transfer to Enterpirse Fund	62,676	69,202	69,202	100,000
Total Expenditures	413,505	387,700	363,860	416,686

PAINT BRUSH HILLS METROPOLITAN DISTRICT

GENERAL FUND

2015 ADOPTED BUDGET

with 2013 Actual, 2014 Adopted Budget, 2014 Estimate

Emergency Reserve	-	9,555.00	-	9,501
Total Expenditures Requiring Appropriation	413,505	397,255	363,860	426,187
ENDING FUNDS AVAILABLE	\$ 100,642	\$ 247,969	\$ 113,873	\$ 52,489

PAINT BRUSH HILLS METROPOLITAN DISTRICT

**ENTERPRISE FUND
2015 ADOPTED BUDGET**

with 2013 Actual, 2014 Adopted Budget, 2014 Estimate

	2013 Actual	2014 Adopted Budget	2014 Estimate	2015 Adopted Budget
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4-501 BEGINNING FUNDS AVAILABLE	\$ 440,384	\$ 370,356	\$ 298,411	\$ 423,172
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REVENUE

4-520 Base Fees	252,709	259,560	245,000	262,800
4-521 Transfer Fees	1,608	6,120	500	3,000
4-525 Wastewater-Church	203	480	450	450
4-526 Wastewater-Residential	130,471	148,920	149,000	148,920
4-527 Wastewater-School	4,534	6,000	5,400	5,500
4-532 Water-Church	88	300	350	350
4-533 Water-Commercial	1,441	-	-	-
4-534 Water-Residential	327,430	599,062	323,760	325,000
4-536 Water-School	40,421	61,000	46,000	46,800
4-540 Availability of Service Fees	600	1,600	-	-
4-542 Meters	-	3,200	3,200	15,000
4-550 Inspection Fees	160	300	-	5,000
4-551 Tap Fees	6,516	54,529	50,000	215,000
4-555 Residential Repairs	705	3,205	-	-
4-558 Grants	1,915	-	-	-
4-560 Interest	218	300	150	300
4-562 Tank Rental-Antennas	4,064	4,800	4,800	4,800
4-565 Bulk Water Sales	-	1,500	-	1,000
4-575 Other Operating Revenue	133	-	2,000	2,000
4-590 Transfer from General Fund	62,676	69,202	69,202	100,000

Total Revenue	835,891	1,220,078	899,812	1,135,920
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Total Funds Available	1,276,275	1,590,434	1,198,223	1,559,092
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EXPENDITURES

4-625 Employee Wages	82,591	95,000	141,541	148,250
4-626 Payroll Taxes	8,171	7,268	10,828	11,860
4-629 Health Insurance		9,879	10,373	12,513
4-630 Operator Phone Allowance		2,640	2,990	3,000
4-675 Legal	10,474	-	15,000	10,000
4-685 Miscellaneous Expense			100	
4-715 Hydrologist	13,535	-	-	-
4-716 Engineer	31,227	30,000	24,535	25,000
4-725 Ground Mtce-Contract Labor	1,844	-		-
4-726 Ground Mtce-Parts	54	-		-
4-730 Analytical Testing	12,092	7,000	3,043	3,500
4-731 Chemical/Equipment	10,835	10,000	10,000	3,800
4-732 Misc Supplies and Tools	15,613	10,000	9,000	10,000
4-734 OPS Certification and Training	1,588	3,000	300	2,000
4-740 Billing Expense	11,188	8,500	21,500	21,500
4-741 Meter Reading	1,578	-	-	-
4-742 Radio Meter Repairs	3,706	-	-	-
4-743 Meters-Residential Repairs/Replacement	250	2,981	1,000	3,000
4-750 Bulk Water Purchases	29,655	36,000	27,108	27,000
4-753 Tap Fees - WHMD IGA	-	16,000	18,000	60,000

PAINT BRUSH HILLS METROPOLITAN DISTRICT

**ENTERPRISE FUND
2015 ADOPTED BUDGET**

with 2013 Actual, 2014 Adopted Budget, 2014 Estimate

	2013 Actual	2014 Adopted Budget	2014 Estimate	2015 Adopted Budget
4-755 Collection System Repair Mtce	2,104	30,000	2,000	5,000
4-756 Port-O-Let Fees	556	500	500	300
4-757 Pumphouse Mtce	3,510	5,000	500	5,000
4-758 Well Repair Mtce (Source Water)	3,183	20,000	18,000	20,000
4-759 Storage Tank Repairs/Mtce	124,352	1,000	3,695	2,500
4-760 Roadway and Waterline Repairs	7,937	6,000	12,000	15,000
4-769 Utilities	116,794	160,000	135,000	139,000
4-790 Vehicle Mtce & Operation Expense	5,403	18,000	10,000	15,000
4-791 Vehicle Repair	4,012	-	-	-
4-795 ORC-Wastewater	2,897	-	-	-
4-796 Wastewater-Other	9,415	-	-	-
4-797 Wastewater-Mtce, Repair, Equip	2,703	-	-	-
4-798 Wastewater Collection Exp	39,364	-	-	-
4-800 Water Oper-Orc	11,481	-	-	-
4-801 Water Other	827	-	-	-
4-850 Easements and Properties	499	4,000	499	2,500
4-852 Capital-Heavy Equip, Vehicles	420	11,000	8,400	55,000
4-853 Water Lines and Augmentation	20,588	-	-	-
4-854 Pumps Upgrade & Repair	188	-	-	-
4-855 Pumphouses	850	6,000	4,735	6,000
4-857 Booster Station	-	10,000	3,000	4,000
4-858 Water Infrastructure	(609)	-	-	-
4-862 Well Construction	-	200,000	2,500	206,000
4-875 Principal Wells Fargo Lease	-	161,408	161,408	175,933
4-876 Interest Wells Fargo Lease	104,532	104,538	104,538	90,012
4-878 FSB Lease Purchase-Principal	-	-	12,763	12,300
4-879 FSB Lease Purchase-Interest	-	-	195	264
4-910 Reserve for Contingencies	-	65,000	-	100,000
4-915 Captial Outlay Reserve	-	300,000	-	100,000
4-950 Depreciation & Amort	282,458	-	-	-
Total Expenditures Requiring Appropriation	977,864	1,340,714	775,051	1,295,232

ENDING FUNDS AVAILABLE	\$ 298,411	\$	249,720	\$	423,172	\$	263,860
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Required Debt Service Reserve \$250,000

PAINT BRUSH HILLS METROPOLITAN DISTRICT

CONSERVATION TRUST FUND

2015 ADOPTED BUDGET

with 2013 Actual, 2014 Adopted Budget, 2014 Estimate

	2013 Actual	2014 Adopted Budget	2014 Est Budget	2015 Adopted Budget
5-501 BEGINNING FUND BALANCE	\$ 5,592	\$ 14,162	\$ 11,591	\$ 21,591
REVENUE				
5-516 CTF Revenue	11,328	10,000	10,000	10,000
5-517 GOCO Grant	-	-	-	-
5-560 Interest	-	-	-	-
Total Revenue	11,328	10,000	10,000	10,000
Total Funds Available	16,920	24,162	21,591	31,591
EXPENDITURES				
5-860 Improvements	5,329	10,000	-	31,591
Total Expenditures	5,329	10,000	-	31,591
Total Expenditures Requiring Appropriation	5,329	10,000	-	31,591
ENDING FUND BALANCE	\$ 11,591	\$ 14,162	\$ 21,591	\$ 0