

HORSE CREEK METROPOLITAN DISTRICT

2019 Budget Message

Introduction

The District was formed in 2004 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements including water, streets, and sanitary sewer. All improvements constructed by the District have been conveyed to other governmental entities for perpetual maintenance.

The 2019 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2019 fiscal year based on available revenues. This budget provides for the annual debt service of the District's debt as well as the general operation of the District.

The District's assessed value decreased 0.03% to \$13,887,280. The District's mill levy was certified at 25.000 mills for taxes collected in the 2019 fiscal year with 18.593 mills dedicated to the Debt Service Fund and 6.407 mills dedicated to the General Fund.

Budgetary Basis of Accounting

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government.

Debt Service Fund is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. In 2013 the District refunded the District's 2010 Multi-Modal Loan in full, terminated the Interest Rate Exchange Agreement and issued Series 2013, General Obligation Refunding Bonds. Below is a summary of the District's long-term General Obligation Debt.

Summary of Debt Outstanding

General Obligation Refunding Bonds, Series 2013			
\$4,580,000			
Year	Principal	Interest	Annual Total
2013	\$50,000	\$31,981	\$81,981
2014	65,000	194,762	259,762
2015	65,000	194,275	259,275
2016	75,000	193,788	268,788
2017	75,000	192,475	267,475
2018	80,000	191,163	271,163
2019	80,000	189,762	269,762
2020	90,000	187,563	277,563
2021	95,000	185,087	280,087
2022	100,000	182,475	282,475
2023	105,000	179,475	284,475
2024	115,000	176,325	291,325
2025	115,000	172,444	287,444
2026	125,000	168,562	293,562
2027	130,000	163,875	293,875
2028	140,000	159,000	299,000
2029	145,000	153,750	298,750
2030	160,000	146,500	306,500
2031	170,000	138,500	308,500
2032	185,000	130,000	315,000
2033	190,000	120,750	310,750
2034	205,000	111,250	316,250
2035	220,000	101,000	321,000
2036	235,000	90,000	325,000
2037	245,000	78,250	323,250
2038	265,000	66,000	331,000
2039	280,000	52,750	332,750
2040	300,000	38,750	338,750
2041	475,000	23,750	498,750
Total	\$ 4,580,000	\$ 4,014,262	\$ 8,594,262

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 revenues in the General Fund.

HORSE CREEK METROPOLITAN DISTRICT
Assessed Value, Property Tax and Mill Levy Information

	2017 Actual	2018 Adopted Budget	2019 Adopted Budget
Assessed Valuation	\$ 13,268,210	\$ 13,890,980	\$ 13,887,280
Mill Levy			
General Fund	6.407	6.407	6.407
Debt Service Fund	18.593	18.593	18.593
Total Mill Levy	25.000	25.000	25.000
Property Taxes			
General Fund	\$ 85,009	\$ 89,000	\$ 88,976
Debt Service Fund	246,696	258,275	258,206
Temporary Mill Levy Reduction	-	-	-
Actual/Budgeted Property Taxes	\$ 331,705	\$ 347,275	\$ 347,182

HORSE CREEK METROPOLITAN DISTRICT

GENERAL FUND 2019 Adopted Budget with 2017 Actual, 2018 Adopted Budget, and 2018 Estimated

	2017 Actual	2018 Adopted Budget	2018 Estimated	2019 Adopted Budget
BEGINNING FUND BALANCE	\$ 96,980	\$ 149,547	\$ 149,470	\$ 154,160
REVENUE				
Property Tax Revenue	85,009	89,000	89,000	88,976
Specific Ownership Taxes	9,313	5,340	6,200	5,339
Interest Income	351	240	240	240
Total Revenue	94,673	94,580	95,440	94,555
Total Funds Available	191,653	244,127	244,910	248,715
EXPENDITURES				
Administration				
Accounting	8,957	9,300	9,300	9,600
District Management	9,056	8,400	8,400	8,700
Audit	5,124	5,100	4,656	5,300
Director's Fees	500	1,000	1,000	1,000
Insurance/SDA Dues	3,278	3,630	3,630	3,630
Legal	12,364	9,000	9,000	9,300
Election	-	1,000	853	-
Miscellaneous	1,590	3,500	3,500	3,500
Payroll Taxes	38	77	77	77
Treasurer's Fees	1,276	1,335	1,335	1,335
Chambers Rd Streetscape	-	49,000	49,000	-
Contingency	-	49,841	-	203,436
Sub-Total Administration	42,183	141,183	90,751	245,878
Emergency Reserve	-	2,837	-	2,837
Total Expenditures Requiring Appropriation	42,183	144,020	90,751	248,714
ENDING FUND BALANCE	\$ 149,470	\$ 100,107	\$ 154,160	\$ -

HORSE CREEK METROPOLITAN DISTRICT

DEBT SERVICE FUND

2019 Adopted Budget

with 2017 Actual, 2018 Adopted Budget, and 2018 Estimated

	2017 Actual	2018 Adopted Budget	2018 Estimated	2019 Adopted Budget
BEGINNING FUND BALANCE	\$ 454,720	\$ 452,986	\$ 457,378	\$ 458,527
REVENUE				
Property Tax Revenue	246,696	258,275	258,275	258,206
Specific Ownership Taxes	27,025	15,497	17,796	15,492
Interest Income	644	585	615	585
Total Revenue	274,365	274,357	276,686	274,283
Total Funds Available	729,085	727,343	734,064	732,810
EXPENDITURES				
Bond Principal	75,000	80,000	80,000	80,000
Bond Interest	192,475	191,163	191,163	189,762
Paying Agent-Remarket Fees	300	300	300	300
Treasurer's Fees	3,703	3,874	3,874	3,873
Bank Fees	230	200	200	200
Contingency	-	500	-	500
Total Expenditures	271,708	276,037	275,537	274,635
Total Expenditures Requiring Appropriation	271,708	276,037	275,537	274,635
Reserve	162,500	162,500	162,500	162,500
Mill Levy Stabilization	199,341	199,500	199,500	199,500
Undesignated	95,537	89,306	96,527	96,175
ENDING FUND BALANCE	\$ 457,378	\$ 451,306	\$ 458,527	\$ 458,175