

CASCADE METROPOLITAN DISTRICT NO. 1

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 annual debt service on the District's debt as well as the general operation of the District and capital improvements.

The District's 2014 assessed value was \$176,920. The District's Board chose not to assess a mill levy for the 2015 fiscal year.

The District was formed in 2004 for the primary purpose of providing water for domestic and other public and private purposes by any available means and all necessary or proper reservoirs, treatment works and facilities, and equipment.

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

Enterprise Fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise, where the intent is that costs of providing services to the public on a continuing basis be financed primarily through usage charges. The primary source of revenue in the Enterprise Fund comes from fees for water usage, service fees, and tap fees. The District's debt is comprised of two loans with the Department of Local Affairs, one of which matures in 2017 and the other maturing in 2037. The District also has a bond in the amount of \$100,000 that is with a private party. In addition, the District owes roughly \$500,000 to Colorado Springs Utilities; the District is working with staff and Colorado Springs Utilities to determine a payment plan for this balance owing.

Below is a chart outlining the outstanding debt of the District.

Cascade Metropolitan District No. 1

Debt Maturing in the Year Ending December 31,	\$ 740,689.36 Total Outstanding Debt			
	Principal	Interest	Penalty Payment	Total
2015	42,625	31,922	6,407	80,954
2016	43,257	29,458	5,873	78,589
2017	25,213	27,493	-	52,706
2018	26,834	25,827	-	52,661
2019	28,565	24,096	-	52,661
2020-2024	110,186	98,751	-	208,937
2025-2029	119,344	71,480	-	190,825
2030-2034	153,162	37,663	-	190,825
2035-2039	69,602	3,534	-	73,136
Total	618,790	350,224	12,280	981,294

Emergency Reserve

As required under Article X, Section 20 of 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.

Cascade Metropolitan District No. 1
Assessed Value, Property Tax and Mill Levy Information

	2013		2014		2015	
	Adopted Budget		Adopted Budget		Adopted Budget	
Assessed Valuation	\$	-	\$	173,970	\$	176,920
Mill Levy						
General Fund		0.000		0.000		0.000
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		0.000		0.000		0.000
Property Taxes						
General Fund	\$	-	\$	-	\$	-
Debt Service Fund		-		-		-
Temporary Mill Levy Reduction		-		-		-
Refunds and Abatements		-		-		-
Actual/Budgeted Property Taxes	\$	-	\$	-	\$	-

Cascade Metropolitan District No. 1

**ENTERPRISE FUND
2015 ADOPTED BUDGET
with 2013 Actual, 2014 Adopted Budget, 2014 Amended Budget, and 2014 Estimated**

	2013 Actual	2014 Adopted Budget	2014 Adopted Budget	2014 Estimated Budget	2015 Adopted Budget
BEGINNING FUND BAL	29,045	(532,609)	23,144	23,144	21,079
REVENUE					
Water Sales / Meter Fee	503,329	330,000	424,112	424,112	425,000
Meter Fee	-	-	72,149	72,149	72,000
Late Fees	-	2,500	2,500	2,500	2,000
Water provision fee	-	-	60,790	60,790	109,200
Pipeline Surcharge	-	148,700	91,327	91,327	90,000
Interest income	1	-	22	22	20
Tap Fees	-	15,000	-	-	-
Miscellaneous income	193	-	500	500	-
Loan proceeds	-	-	-	-	1,500,000
Total Revenue	503,524	496,200	651,400	651,400	2,198,220
Total Funds Available	532,569	(36,409)	674,544	674,544	2,219,299
EXPENDITURES					
Operating Expenses					
Accounting	26,848	15,000	38,850	38,850	34,600
Audit	20,416	7,500	38,000	38,000	7,500
Bank Fees	510	100	500	500	100
Election	18	1,500	689	689	-
Insurance	5,974	8,500	7,299	7,299	7,883
Dues, Fees and Subscriptions	-	380	-	-	380
Legal	922	12,000	64,000	64,000	65,000
Management	45,029	25,000	33,035	33,035	30,000
Engineering	6,250	-	3,000	3,000	5,000
Miscellaneous	7,206	1,000	6,413	6,413	7,000
Payroll taxes	10,215	2,984	6,290	6,290	2,984
Chemical and supplies	882	1,800	1,800	1,800	1,800
Operation labor	39,178	39,000	39,000	39,000	39,000
Locates	-	600	-	-	600
Repairs and maintenance	5,767	24,000	11,000	11,000	10,000
Telephone / Utilities expense	3,828	7,980	2,343	2,343	5,000
Vehicle expense	1,748	3,600	1,000	1,000	3,600
Water purchase expense	171,980	250,200	215,096	215,096	245,000
Water Quality Testing Expense	612	1,992	2,261	2,261	2,500
Meter software and hardware	792	3,200	2,000	2,000	3,200
Website	-	500	-	-	500
Engineering/Survey	3,105	2,500	-	-	-
Office supplies and postage	-	1,500	5,430	5,430	1,500
Bad debt expense	19,000	-	-	-	-

Cascade Metropolitan District No. 1

ENTERPRISE FUND

2015 ADOPTED BUDGET

with 2013 Actual, 2014 Adopted Budget, 2014 Amended Budget, and 2014 Estimated

	2013 Actual	2014 Adopted Budget	2014 Adopted Budget	2014 Estimated Budget	2015 Adopted Budget
Non-Operating Expenses					
Turse bond payments	7,495	14,496	14,496	14,496	5,306
DOLA - interest payment	9,874	28,296	28,296	28,296	7,941
DOLA - loan payment	26,324	38,172	38,172	38,172	25,082
COS Utility Interest Expense	18,960	-	49,203	49,203	25,000
COS - Water provision fee	-	-	45,292	45,292	-
Payment of outstanding debt of the District	-	-	-	-	1,310,000
Depreciation expense	31,660	-	-	-	-
Loan Cost of Issuance	-	-	-	-	80,000
Misappropriation of funds	44,831	-	-	-	-
Total Expenditures	509,425	491,800	653,465	653,465	1,926,475
TRANSFERS AND OTHER USES					
Emergency Reserve	-	3,000	-	-	57,794
Total Transfers and Other Uses	-	3,000	-	-	57,794
Total Expenditures Requiring Appropriation	509,425	494,800	653,465	653,465	1,984,270
Invested in Capital Assets	1,203,073	-	1,203,073	1,203,073	1,203,073
Outstanding debt of the District	(659,121)	-	(631,631)	(631,631)	(1,500,000)
Restricted for emergency reserves	15,100	-	17,100	17,100	57,794
Restricted reserve funds for debt service	-	-	-	-	110,000
Unrestricted	(535,908)	(531,209)	(567,463)	(567,463)	364,162
ENDING FUND BALANCE	\$ 23,144	\$ (531,209)	\$ 21,079	\$ 21,079	\$ 235,029