

Holland Hills Metro District

2025 Approved Budget

Executive Summary

General Fund				
KPI	2024	2025	Change	
			Amount	%
Assessed Valuation	5,730,650	5,721,670	(8,980)	-0.16%
Mill Levy for Operations	16.961	17.922	0.961	5.67%
Assessed Valuations decreased .16% over prior year, therefore Operations Mill Levy increased 5.67% to keep the District Property Tax Revenue with a 5.5% increase year or year.				
Operating Expense	182,887	198,758	15,871	8.68%
Operating expenses have slight increases in management, accounting, insurance, and utilities.				
Capital Expense	25,000	25,000	-	0.00%
Capital expenses have been budgeted flat compared to prior year.				

Holland Hills Metro District Budget Analysis

Approved Budget	2023	2024	2024	2025	2024 Approved Budget vs. 2025 Approved Budget	
	Actuals	Proforma Actual	Approved Budget	Approved Budget		
	Jan - Dec 2023	Jan - Dec 2024	Jan - Dec 2024	Jan - Dec 2025	\$ Variance	% Variance
Beginning Operation Fund Balance	164,186	216,524	216,524	231,045		
Ordinary Income/Expense						
Income						
6000 · Operating Revenue						
6100 · Property Tax	92,753	99,177	97,198	102,544	5,346	5.5%
6103 - Tax Abatements	-					
6200 · Spec. Ownership	3,301	1,913	2,213	2,358	144	6.5%
6300 · Interest Income						
6310 · Property Tax Interest	266	58	85	85	-	0.0%
6320 · Interest on Bank Acct's	13,699	15,926	14,055	15,926	1,871	13.3%
Total 6300 · Interest Income	13,965	15,984	14,140	16,011	1,871	13.2%
6400 · Assessments	32,076	32,076	32,076	32,076	-	0.0%
6500 · Water Meter Revenue	52,234	51,176	51,200	51,200	-	0.0%
6900 · Fin Charges & Late Fees	238	472	300	300	-	0.0%
Total 6000 · Operating Revenue	194,568	200,798	197,127	204,489	7,362	3.7%
Expense						
8000 · Operational Expenses						
8100 · Professional Fees						
8110 · Management	14,936	21,074	18,044	18,531	487	2.7%
8120 · Elections						
8120 · Elections	1,712	-	-	1,500	1,500	100.0%
81205 · Election Supplies		-	500	500	-	0.0%
Total 8120 · Elections	1,712	-	500	2,000	1,500	300.0%
8130 · Accounting	16,619	17,313	16,695	17,146	451	2.7%
8140 · Audit						
8141 · Audit	1,200	650	2,500	696	(1,805)	-72.2%
8143 · Accounting for Audit	463	765	1,150	1,181	31	2.7%
Total 8140 · Audit	1,663	1,415	3,650	1,877	(1,773)	-48.6%
8161 · Legal Fees	2,562	14,954	3,000	3,000	-	0.0%
8180 · Website	578	2,014	960	2,000	1,040	108.3%
8190 · Insurance	4,313	4,382	4,583	4,820	238	5.2%
Total 8100 · Professional Fees	42,383	61,152	47,432	49,374	1,942	4.1%
8500 · Maintenance						
8515 · Utilities						
8516 · Electricity	2,538	2,629	2,704	2,708	4	0.1%
8517 · Telephone	970	948	828	1,005	177	21.4%
Total 8515 · Utilities	3,508	3,578	3,532	3,713	181	5.1%
8520 · Road Maintenance						
8521 · Roads - Gen Maint (TRG)	3,548	4,311	4,026	4,250	224	5.6%
8522 · Street Sweeping (OC)	-	1,950	1,000	2,000	1,000	100.0%

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	2023	2024	2024	2025	2024 Approved Budget vs. 2025 Approved Budget	
	Actuals	Proforma Actual	Approved Budget	Approved Budget		
	Jan - Dec 2023	Jan - Dec 2024	Jan - Dec 2024	Jan - Dec 2025	\$ Variance	% Variance
Approved Budget						
8523 · Snow Removal (OC)	12,275	9,600	9,800	9,800	-	0.0%
8524 · Snow Removal (TRG)	809	634	1,255	1,278	23	1.8%
8525 · Road Maint Supplies	1,028	431	550	550	-	0.0%
Total 8520 · Road Maintenance	17,660	16,926	16,631	17,878	1,246	7.5%
8531 · Landscape Maint. (OC)	2,040	6,765	6,000	6,000	-	0.0%
8540 · Drainage & Ditch Maint						
8541 · Ditch Maint Supplies	10	1,120	400	400	-	0.0%
8543 · Ditch Maint (TRG)	12,120	13,992	14,704	16,664	1,960	13.3%
8544 · Ditch Maint (OC)	2,046	8,940	4,500	7,570	3,070	68.2%
Total 8540 · Drainage & Ditch Maint	14,176	24,052	19,604	24,634	5,030	25.7%
8570 · Refuse Collection	39,016	43,776	39,722	45,090	5,368	13.5%
Total 8500 · Maintenance	76,400	95,097	85,490	97,314	11,825	13.8%
8580 · Water System						
8581 · Water System O&M	3,436	4,546	6,000	6,000	-	0.0%
8582 · BLM Rental	1,046	1,068	1,024	1,068	44	4.3%
8583 · Reading of Meters (TRG)	2,283	2,561	4,576	4,576	-	0.0%
8584 · Water Maint Reimbursables	1,311	1,316	1,500	1,500	-	0.0%
8585 · Water System Repairs	9,170	3,244	10,000	10,000	-	0.0%
8586 · Water Quality Testing	534	8,511	11,160	11,160	-	0.0%
8587 · Irrigation System O&M	358	200	900	900	-	0.0%
8588 · Irrigation parts & supplies	-	200	800	800	-	0.0%
8589 · Water Augmentation	2,750	5,548	3,000	5,500	2,500	83.3%
Total 8580 · Water System	20,887	27,193	38,960	41,504	2,544	6.5%
8800 · Miscellaneous Expenses						
8828 · Mileage	1,110	1,268	1,505	1,306	(199)	-13.2%
8840 · Office Supply & Admin	1,449	1,385	1,800	1,560	(240)	-13.3%
8850 · Postage	-	183	200	200	-	0.0%
Total 8800 · Miscellaneous Expenses	2,559	2,837	3,505	3,066	(439)	-12.5%
8900 · Contingency	-	-	7,500	7,500	-	0.0%
Total 8000 · Operational Expenses	142,229	186,278	182,887	198,758	15,871	8.7%
Net Ordinary Income	52,339	14,520	14,240	5,730	(8,510)	-59.8%
Ending Operating Fund Balance	216,524	231,045	230,764	236,775		

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	2023	2024	2024	2025	2024 Approved Budget vs. 2025 Approved Budget	
	Actuals	Proforma Actual	Approved Budget	Approved Budget		
	Jan - Dec 2023	Jan - Dec 2024	Jan - Dec 2024	Jan - Dec 2025	\$ Variance	% Variance
Approved Budget						
Beginning Capital Fund Balance	94,018	87,491	87,491	74,525		
Other Income/Expense						
Other Expense						
9000 - Non-Operating Expenses						
9100 - County Treasurer Fees	4,642	4,686	4,860	5,127	267	5.5%
9400 - Bond Servicing Fees	-	-	-	-	-	0.0%
9900 - Capital Projects						
9915 - Chip Seal Road Improvements	1,885	8,280	20,000	20,000	-	0.0%
9930 - Ditch Improvements		-	5,000	5,000	-	0.0%
Total 9900 - Capital Projects	1,885	8,280	25,000	25,000	-	0.0%
9850 - TABOR	-	-	6,237	6,608	371	5.9%
Total Other Expense	6,527	12,966	36,097	36,735	638	1.8%
Net Other Income	(6,527)	(12,966)	(36,097)	(36,735)	(638)	1.8%
Net Income/(Use of Reserves)	45,812	1,554	(21,857)	(31,005)	(9,148)	41.9%
Ending Capital Reserve Fund Balance	87,491	74,525	51,395	37,790		
Total Fund Balance	304,016	305,570	282,159	274,565		

Holland Hills Metro District Budget Notes

ACCOUNT	NOTES
6100 - Property Tax Revenue	Assessed values used to calculate tax revenues are provided by the Pitkin County Assessor's Office, and the most recent valuation reports are used to generate tax revenue estimates. Since property assessments are subject to dispute by property owners, tax revenue estimates may not be fully realized.
6200 - Specific Ownership Tax Revenue	Specific Ownership tax is a tax on motor vehicles, levied instead of a personal property. It is collected annually during the vehicle registration or renewal process. This revenue remains subject to the vagaries of vehicle sales and apportioned tax receipts.
6310 - Property Tax Interest	Property tax interest revenue is based on late real estate tax payments to the county who then remits the interest charged on the late property taxes.
6320 - Interest on Bank Acct's	Interest received on the balance in the operating and MM bank accounts.
6400 - Assessments	Assessment revenues collected quarterly are intended to offset the cost of maintaining the Arbaney and Kester Ditches and irrigation laterals within Holland Hills, along with general fund contributions. There are 58 lots in the District that pay \$135 per quarter for O&M and repairs to all ditches. It is important to note that this fee does not cover the cost of water, but there is no additional charge for the water used. However, when water is not available due to a failure in the ditch system, Ditch fees must still be paid with excess fees going toward the general fund.
6500 - Water Meter Revenue	Water Meter Revenue includes all funds collected from sales of water to individual homes and condos, and is based on 70 service addresses. The District established new water rates in 2008 in order to generate additional revenues to cover increasing District costs. Water use in excess of the base amount (15,000 gallons per month) is billed on a tiered, step-rate system adopted by the Board in 2004. The base rate is projected to generate a total of \$51,200 in operational revenues, and the tiered system is estimated to generate a small amount of additional income.
6900 - Fees and Charges	This includes late fees for potable water service payments, finance charges and other similar charges.

Expenses

Professional Services

8110 - Management	This line item covers the cost of planning and directing all operations, administering the business of the District, maintaining required records, filing all state and local reports, meeting with the Board of Directors and constituents, carrying out directives of the Board and responding to constituent questions and requests and coordinating activities with other entities and local governments. This fee is billed on actual time spent managing District business.
8120 - Elections	Special District elections are moving to odd year elections. 2024 will begin the first of the odd year elections and resume to 4 year terms. Election admin expense is budgeted every year and in odd years the actual election expense is budgeted.
81205 - Election Supplies	This line item covers supply expenses for elections.

Holland Hills Metro District Budget Notes

ACCOUNT	NOTES
8130 - Accounting	This line item is established to accurately track time, material and capital costs for all separate budget line items. Also includes processing of accounts payable, accounts receivable, preparation of periodic financial statements, budgets, record keeping, cash management, vendor management and the issuance of annual 1099 forms.
8140 - Audit	Due to the District's Tax Receipts not exceeding \$750,000 an annual audit of the District's accounts is not required, instead an audit exemption report has to be filed. This line item is the cost of the independent auditor's fee for the audit exemption report. The budget increase is from RFP's since the prior auditors have retired.
8143 - Accounting for Audit	This line is to support accounting activities directly related to the Audit.
8160 - Legal	General legal counsel is provided by Spencer Fane. This covers all aspects of District laws, rules and regulations. Water rights and plan for augmentation legal work remains with Patrick Miller & Noto.
8180 - Website	The website has been outsourced to Streamline to keep in compliance with the State Regulations that all Government Websites have to be ADA compliant.
8190 - Insurance	Budget is based off of prior year actuals with an estimated annual increase.
Maintenance	
8516 - Electricity	Electricity provided by Holy Cross, is service for the pumps and controls of the water system, irrigation system, and security lights within the District.
8870 - Telephone	Telephone expense is for the Century Link service for phone lines that service the pumphouse.
8520 - Road Maintenance - TRG	Includes monitoring and as needed sweeping and cleaning of roads, maintenance of shoulders, and weed control along roadways. This budget is based on labor estimated on the labor schedule.
8522 - Street Sweeping	Street sweeping expense is budgeted as an allowance for spring street sweeping performed by an outside contractor once a year in the event of a heavy snowfall winter, when excess gravel/sand is left behind in the spring. This budget may or may not be utilized year to year depending on the snow removal each year.
8523 - Snow Removal - OC	Budget reflects the cost of snow removal from an outside contractor.
8524 - Snow Removal - TRG	Snow removal labor is based off the labor schedule and includes hand shoveling and clean up plowing within the District. The budget is based on labor estimated on the labor schedule.
8525 - Road Maint Supplies	Budget for road maintenance supplies.
8531 - Landscape Maint. - OC	Includes contract costs for upkeep and maintenance of landscaping, mowing of open spaces, weeding and spraying.
8541 - Ditch Maint Supplies	Budget for ditch maintenance supplies.
8543 - Ditch Maint - TRG	Ditch labor is based off the labor schedule and includes internal maintenance labor for spring drainage basin cleaning, weekly cleaning, and fall cleaning. Labor coasts are expected to increase as the cost of living continue to climb.
8544 - Ditch Maint - OC	This item covers the cost of O&M on the Kester and Arbaney Ditches as well as maintenance on ditch laterals within the District.
8570 - Refuse Collection	Refuse collection is provided by Mountain Waste. There is usually a small expected increase for fuel and recycling costs.

Holland Hills Metro District Budget Notes

ACCOUNT	NOTES
8581 - Water System O&M	Includes all costs associated with the operation and maintenance of the community water system, such as: water quality sampling and testing, routine maintenance, utility costs for electric and phone (tank to pump station telemetry), chemicals, operator time, etc.
8582 - BLM Rental	This is an annual rental cost for the tank site on BLM land and the rate is based on negotiations with the BLM.
8583 - Meter Reading	Meter reading budget is driven by the estimated hours on the labor schedule to read and track all water meter reads on a monthly basis. Increased based on labor costs.
8584 - Water Maintenance Reimbursables	Water Maintenance Reimbursables is for supplies and repairs on the District water system.
8585 - Water System Repairs	Includes repairs to the pump plant, controls, wells, telemetry, and distribution system components. This cost does not cover significant repairs or rehab of mains, hydrants, PRVs, etc.
8586 - Water Quality Testing	Water Quality Testing includes the cost of state and federally mandated water quality tests and reporting that are completed on a monthly and quarterly basis.
8587 - Irrigation System O & M	Budget related to pumps and O&M on the underground irrigation system.
8588 - Irrigation parts & supplies	Budget based on previous two years actual expenses for parts & supplies on the underground irrigation system.
8589 - Water Augmentation	This item reflects the actual cost of the BWCD contract to provide augmentation water from Ruedi Reservoir. This line item also includes work on water system administration and permitting, protection of water rights and administration of the plan for augmentation. This budget remains flat.

Administrative

8810 - Bank Service Charges	Bank service charges are not anticipated with the change to Timberline Bank.
8828 - Mileage	Budget is based on IRS annual mileage reimbursement rates.
8840 - Office Supply & Admin	Budget for office supplies and subscription fees to QB and Ottimate.
8850 - Postage	Postage to mail out quarterly billings.
8900 - Contingency	Budgeted at approximately 5% of operational expenses. Any funds not used in this line item are carried forward into the following budget year.

Other Income/Expenses

Other Expense

9100 - County Treasurer Fees	County Treasurer Fees are based on 5% of property tax revenues; which is the prevailing county fee for collection of property taxes.
9915 - Chip Seal Road Improvements	Chip seal road improvements estimated to improve life of the roads.
9930 - Ditch Improvements	Ditch improvements are budgeted at the annual estimated cost of improvements.
9850 - TABOR Reserve	This reserve is required by constitutional amendment and is calculated at 3% of all budgeted expenses less debt service and county treasurer fees. Reserve funds not used are carried forward into the next budget year.

2024 Proforma	The Proforma is actual costs through October and budgeted costs for November and December to project the year end profit (loss) for the year.
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Holland Hills Metro District

Budget Year	2021	2022	2023	2024	2025
Assessed Valuation: Operating	4,072,680	3,622,070	3,592,680	5,730,650	5,721,670
Assessed Valuation: Bond	4,245,820	3,756,240	-	-	-
Mill Levy:					
Debt Levy	28.205	-	-	-	-
Operating Levy	20.422	24.225	25.766	16.961	17.922
Total Mill Levy	48.627	24.225	25.766	16.961	17.922
Total Debt Service	113,300	-	-	-	-
Bond Service Fees	750	-	-	-	-
Debt Service Due	114,050	-	-	-	-
Debt Service Due	114,050	-	-	-	-
Less Capital Contribution	-	-	-	-	-
Net Debt Due	114,050	-	-	-	-
Total Revenue with 5% County Fees	119,753	-	-	-	-
Required Mill Levy - Debt	28.205	-	-	-	-
Operational Revenues	83,172	87,745	92,569	97,198	102,544
Required Mill Levy - Operations	20.422	24.225	25.766	16.961	17.922
Total District Revenue	202,925	87,745	92,569	97,198	102,544
\$ Chg Total Rev from PY	6,277.31	(115,180.13)	4,824.35	4,628.56	5,346.22
% Chg in Total Rev from PY	3.19%	-56.76%	2.38%	5.28%	5.78%
Estimated Avg increase per lot (71 lots; includes 2 vacant & 1 well charge)	\$ 88.41	\$ (1,622.26)	\$ 67.95	\$ 65.19	\$ 75.30
Gallagher Rate	7.15%	7.15%	6.95%	6.765%	6.400%
Inflation Calculator CY compared to 2001	46.2%	53.1%	65.3%	75.3%	77.9%
% Chg in Mill Levy since 2001	-6.1%	-53.2%	-50.2%	-67.2%	-65.4%

