

# FAIRWAYS METROPOLITAN DISTRICT

## 2026 Budget Message

### **Introduction**

The 2026 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2026 fiscal year based on available revenues. This budget provides for the general operations of the District as well as a business-like enterprise for the collection and treatment of sewage, capital repair and replacement and repayment of loans.

The District's assessed value decreased to \$30,350,866 from \$33,418,076 in the prior year. The District's mill levy is 3.651 less a temporary mill levy reduction of <0.873> mills, for a net certified mill levy of 2.778 mills for collection in fiscal year 2026, and all taxes are dedicated to the General Fund.

The District was formed in 1964 for the purpose of providing sewage collection and treatment services. The District currently serves 344 customers in the service area which is located in Boulder County. No change in the level of service is anticipated during 2026.

### **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. The District's General Fund is considered a Governmental Fund and is reported using the current financial resources and the modified accrual basis of accounting. The District's Sanitation Enterprise Fund is also reported using the current financial resources and the modified 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**

The **General Fund** is used to account for revenue traditionally associated with government such as property taxes and specific ownership tax. Expenditures which include district administration, legal 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.

The **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 user charges. In 2013 the District received an interest free loan from the Colorado Water Resources and Power Development Authority in the amount of \$1,563,694. In 2016 the District received an additional interest free loan in the amount of \$332,000. The loan proceeds were used to upgrade the wastewater treatment facility to comply with Regulation 84, Reclaimed Water Control Regulation as approved by the Colorado

Department of Public Health and Environment.

Principal payments are due in equal amounts on May 1 and November 1 annually through the final payment in 2038. Below is a loan payment schedule through 2038.

Fairways Metropolitan District			
Loan Principal and Interest in the Year Ending December 31,	2013 Loan, \$1,563,694, 2016 Loan, \$332,000 and 2018 Loan, \$185,000		
	Principal	Interest	Total
2026	104,035	-	104,035
2027	104,035	-	104,035
2028 - 2032	520,171	-	520,171
2033 - 2037	199,134	-	199,134
2038	4,625	-	4,625
	<u>\$ 932,000</u>	<u>\$ -</u>	<u>\$ 932,000</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 revenues in the General Fund.

**FAIRWAYS METROPOLITAN DISTRICT**  
**Assessed Value, Property Tax and Mill Levy Information**

	2024		2025		2026	
	Adopted Budget		Adopted Budget		Adopted Budget	
<b>Assessed Valuation</b>	\$	33,420,707	\$	33,418,076	\$	30,350,866
<b>Mill Levy</b>						
General Fund		2.484		2.863		3.651
Temporary Mill Levy Reduction		-		-		0.873
Refunds and Abatements		-		-		-
<b>Total Mill Levy</b>		2.484		2.863		2.778
<b>Property Taxes</b>						
General Fund	\$	83,017	\$	95,676	\$	110,811
Temporary Mill Levy Reduction		-		-		26,496
Refunds and Abatements		-		-		-
<b>Actual/Budgeted Property Taxes</b>	\$	83,017	\$	95,676	\$	84,315

# FAIRWAYS METROPOLITAN DISTRICT

## GENERAL FUND 2026 Adopted Budget with 2024 Actual, 2025 Adopted Budget and 2025 Estimated

	2024 Actual	2025 Adopted Budget	2025 Estimated	2026 Adopted Budget
<b>BEGINNING FUND BALANCE</b>	\$ 184,805	\$ 196,343	\$ 216,929	\$ 236,940
<b>REVENUE</b>				
Property Taxes	82,994	95,676	95,676	137,307
Specific Ownership Taxes	3,461	2,500	5,000	3,000
Interest Income	11,937	3,000	9,000	2,500
Other Revenue	3,094	-	-	-
<b>Total Revenue</b>	101,486	101,176	109,676	142,807
<b>Total Funds Available</b>	286,291	297,519	326,605	379,747
<b>EXPENDITURES</b>				
Accounting	22,909	28,500	28,500	30,000
Administrative Services	17,362	18,000	18,000	20,000
Audit	5,300	5,750	5,500	5,750
Billing Service	10,263	9,250	9,250	10,000
Director's Fees	1,285	1,200	1,700	1,500
Election	169	3,000	1,647	2,000
Insurance & Bonds	4,103	9,000	9,183	11,000
Legal	4,871	10,000	10,000	10,000
Payroll Taxes	222	368	450	450
Miscellaneous	1,113	1,500	1,500	1,500
Supplies and Expenses	519	2,500	2,500	2,500
Treasurer's Fees	1,246	1,435	1,435	2,060
Contingency	-	20,000	-	20,000
<b>Total Expenditures</b>	69,362	110,503	89,665	116,760
<b>TRANSFERS AND OTHER SOURCES (USES)</b>				
Emergency Reserve	-	3,035	-	4,284
Transfer to Enterprise	-	40,000	-	50,000
<b>Total Expenditures Requiring Appropriation</b>	69,362	153,538	89,665	171,044
<b>ENDING FUND BALANCE</b>	\$ 216,929	\$ 143,981	\$ 236,940	\$ 208,703

# FAIRWAYS METROPOLITAN DISTRICT

## ENTERPRISE FUND 2026 Adopted Budget with 2024 Actual, 2025 Adopted Budget and 2025 Estimated

	2024 Actual	2025 Adopted Budget	2025 Estimated	2026 Adopted Budget
BEGINNING FUND BALANCE	\$ 90,450	\$ 63,782	\$ 127,865	\$ 89,995
<b>REVENUE</b>				
Sewer Service Fees	334,216	341,265	341,265	350,718
Interest	371	50	-	50
<b>Total Revenue</b>	334,587	341,315	341,265	350,768
<b>Total Funds Available</b>	425,037	405,097	469,130	440,763
<b>EXPENDITURES</b>				
Engineering	180	25,000	-	25,000
Insurance & Bonds	4,445	5,000	-	-
Supplies and Expenses	-	-	1,500	1,500
Plant Maintenance & Repair	49,935	60,000	120,000	100,000
Plant Operator	12,991	20,000	20,000	24,000
Permits and Testing	7,781	10,000	10,000	12,000
Chemicals	18,977	25,000	25,000	28,000
Jetting & Televising	37,837	18,000	5,000	15,000
Collection System Repair	8,635	16,000	16,000	10,000
LVGC Maintenance Agreement	6,600	6,600	6,600	6,600
Utilities	45,757	46,000	46,000	46,000
2013 CWPA Loan Principal	78,185	78,185	78,185	78,185
2016 CWPA Loan Principal	16,600	16,600	16,600	16,600
2018 CWPA Loan Principal	9,250	9,250	9,250	9,250
Plant & System Upgrades	-	20,000	20,000	20,000
Capital Imp Collection System	-	5,000	5,000	5,000
Contingency	-	40,000	-	40,000
<b>Total Expenditures</b>	297,173	400,635	379,135	437,135
<b>TRANSFERS AND OTHER SOURCES (USES)</b>				
Transfer from General Fund	-	40,000	-	50,000
<b>Total Expenditures Requiring Appropriation</b>	297,173	400,635	379,135	437,135
<b>ENDING FUND BALANCE</b>	\$ 127,865	\$ 44,462	\$ 89,995	\$ 53,628