Paint Brush Hills
Metropolitan District

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Board of Directors
Paint Brush Hills Metropolitan District
Subdistrict A
El Paso County, Colorado

Paint Brush Hills Metropolitan District Subdistrict A (District) is providing this budget for the year ending December 31, 2026, including the estimate of comparative information for the year ending December 31, 2025, and the actual comparative information for the year ending December 31, 2024, in the format required by Colorado Revised Statutes 29-1-105.

The actual comparative information for the year ending December 31, 2024, is presented for comparative purposes as required by Colorado Revised Statutes 29-1-105. This information is taken from the audited financial statements of the District for the year ended December 31, 2024. Stockman Kast Ryan + Company audited the financial statements for the year ended December 31, 2024, whose report was dated June 19, 2025.

The budget is presented in accordance with the requirements of Colorado Revised Statutes 29-1-105 and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

Robert Guevara
District Manager

PAINT BRUSH HILLS METROPOLITAN DISTRICT SUBDISTRICT A
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

The disclosures contained in this summary as presented by management are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2026 annual budget. Actual results may differ from the prospective results contained in the budget.

The 2026 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the anticipated spending plan for the 2026 fiscal year based on available revenues. This budget provides for the general operation and debt service of the Paint Brush Hills Metropolitan District Subdistrict A.

SERVICES PROVIDED

The Paint Brush Hills Metropolitan District Subdistrict A (Subdistrict A) was formed in 2015 by the Board of Directors of the Paint Brush Hills Metropolitan District for the purpose of providing water, sanitary sewer, storm sewer and drainage, streets, streetlights, traffic signals, bridges, mosquito control, safety protection and parks and recreation services. Subdistrict A currently serves customers in the service area which is located in El Paso County. No change in the level of service is anticipated during 2026.

BUDGETARY BASIS OF ACCOUNTING

Subdistrict A 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 Subdistrict A budget. Subdistrict A's Operational Fund and Debt Service Fund are considered Governmental Funds and are budgeted using the current financial resources measurement focus and the modified accrual basis of accounting. For the modified accrual basis of accounting revenues are recognized as soon as they are both measurable and available. For this purpose, Subdistrict A considers revenues to be available if they are collected within 60 days of the end of the fiscal period. Property taxes are recognized as revenues in the year for which they are levied. Expenditures (including capital asset additions and improvements), other than long-term obligations, are recorded when the liability is incurred, or the long-term obligation paid.

FUND SUMMARIES

Debt Service Fund is used to account for accumulation of property taxes and specific ownership taxes for the payment of debt service on bonds or other long-term obligations that are anticipated to be issued by the Subdistrict A in a future period.

This information is an integral part of the accompanying budget.

PAINT BRUSH HILLS METROPOLITAN DISTRICT SUBDISTRICT A
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

REVENUE

Property Taxes

For 2026 Subdistrict A's assessed valuation is $20,258,010. Subdistrict A is levying a property tax mill levy of 40.000 mills to be used for payment of debt service on bonds or other long-term obligations to be issued in a future period.

Specific Ownership Taxes

This revenue is based on a sharing of the collection of vehicle ownership taxes pooled by the County. The amounts estimated for 2025 are based on historical collections.

Developer Advances

Subdistrict A does not anticipate receiving developer advances during 2026.

EXPENDITURES

Subdistrict A expenditures are budgeted based on prior years' amounts expended adjusted for known variations. Subdistrict A has budgeted inflationary increases for 2026 with no significant changes in the level of services provided.

DEBT AND LEASES

Subdistrict A issued $9,000,000.00 in limited tax general obligation bonds for the purpose of reimbursing Eagle Development Company for the infrastructure within Subdistrict A property and pursuant to an agreement dated February 10, 2017. The bonds bear interest at 5.2% per annum, payable on June 1 and December 1, commencing on June 1, 2021, and shall mature on December 1, 2040. The bonds are secured and payable from pledged revenue which consists of monies derived from the required mill levy and a portion of Specific Ownership Tax.

This information is an integral part of the accompanying budget.

PAINT BRUSH HILLS METROPOLITAN DISTRICT SUBDISTRICT A

Assessed Value, Property Tax and Mill Levy Information

For the Years Ended and Ending December 31

	Audited 2024	Estimated 2025	Adopted 2026
Assessed Valuation	$ 12,294,650	$ 19,642,950	$ 20,258,010
Mill Levy			
Debt Service Fund	40.000	40.000	40 000
Total Mill Levy	40.000	40.000	40 000
Property Taxes			
Debt Service Fund	$ 491,786	$ 785,718	$ 810,320
Budgeted Property Taxes	$ 491,786	$ 785,718	$ 810,320
Changed in Assessed Valve		59.77%	3.13%

PAINT BRUSH HILLS METROPOLITAN DISTRICT SUBDISTRICT A
DEBT SERVICE FUND (11)
2026 Budget as Adopted
With 2024 Actual and 2025 Estimated
For the Years Ended and Ending December 31

	Audited 2024	Estimated 2025	Adopted 2026
BEGINNING FUND BALANCE	$ 9,542	$ 19,766	$ 10,246
REVENUE			
Property Taxes	785,452	787,016	810,320
Specific Ownership Taxes	73,767	76,156	80,725
Interest earn	16,884	12,295	12,910
TOTAL REVENUE	876,103	875,467	903,955
TOTAL FUNDS AVAILABLE	885,645	895,233	914,201
EXPENDITURES			
County Treasurer's Fees	11,786	11,805	12,155
Bond Interest Payment	456,144	435,500	412,828
Bond Principle Payment	397,000	436,000	478,945
Bank Charges	-	1,182	1,753
Contract Staffing	500	500	-
Miscellaneous	449	-	-
TOTAL EXPENDITURES	865,879	884,987	905,681
EXPENDITURES REQUIRING APPROPRIATION	865,879	884,987	905,681
ENDING FUND BALANCE	$ 19,766	$ 10,246	$ 8,521

PAINT BRUSH HILSS METROPOLITAN DISTRICT DEBT SEVICE REQUIREMENTS TO MATURITY

$9,000,000 Developer Bond dated 6/1/2021 with interest at 5.20% and Maturing 12/1/2038

Year		Assessed Value	Bond levy	Property Tax Revenue	Specific Ownership Tax	Net Rev Available (payment)	5.20% Accrued Interest	Principal Paid	Principal Balance
2026	5	20,258,010	40.000	798,166	80,725	878,891	412,828	466,063	7,472,937
2027	6	20,258,010	40.000	798,166	85,569	883,734	388,593	495,142	6,977,795
2028	7	20,663,170	40.000	814,129	90,703	904,832	362,845	541,987	6,435,809
2029	8	20,663,170	40.000	814,129	96,145	910,274	334,662	575,612	5,860,197
2030	9	21,076,434	40.000	830,411	101,914	932,325	304,730	627,595	5,232,602
2031	10	21,076,434	40.000	830,411	108,029	938,440	272,095	666,345	4,566,257
2032	11	21,497,962	40.000	847,020	114,510	961,530	237,445	724,085	3,842,172
2033	12	21,497,962	40.000	847,020	121,381	968,401	199,793	768,608	3,073,564
2034	13	21,927,922	40.000	863,960	128,664	992,624	159,825	832,799	2,240,765
2035	14	21,927,922	40.000	863,960	136,384	1,000,344	116,520	883,824	1,356,941
2036	15	22,366,480	40.000	881,239	144,567	1,025,806	70,561	955,245	401,696
2037	16	22,366,480	40.000	881,239	153,241	1,034,480	20,888	1,013,592	(611,896)
2038	17	22,813,810	40.000	898,864	162,435	1,061,299	(31,819)	(611,896)	-
2039	18	22,813,810	40.000	898,864	172,181	1,071,045			
							$ 4,663,118.03	$ 8,849,562.36	$ 13,512,680.39