

VALLEY SANITATION DISTRICT

2021 BUDGET REPORT

SUMMARY

The 2021 Budget for Valley Sanitation District has been prepared in accordance with the modified accrual basis of budgetary accounting.

Services to be provided in accordance with the 2021 budget include operation, maintenance and repair of Valley's 26.8 miles of sanitary sewer mains.

Total revenue from all sources in 2021 is projected to be \$432,955; general revenue of \$233,520, debt service revenue of \$121,361 and enterprise revenue of \$78,074. Total expenditures including debt service, capital items, contingencies and emergency reserves are budgeted at \$415,286. Operating expenditures are budgeted at \$237,505, \$8,755 more than 2020 budgeted expenses. Principal and interest payments of \$68,487 and \$52,874, respectively, are budgeted to satisfy the annual loan payments. No capital expenditures are budgeted for 2021.

Beginning funds available in 2021 are estimated to be \$692,858. The reserve fund balance is projected to increase \$17,669 to \$710,527 at year end 2021.

On November 17, 2017 a majority of the District's electors authorized the District to incur debt up to \$2,700,000 for the purpose of financing the cost of relocating and improving the District's interceptor sewer line. Construction on the project is anticipated to conclude by the end of 2020. A thirty-year loan from the Colorado Water Resources and Power Development Authority was executed in early 2019 with the repayment of debt financed through the assessment of property taxes. An annual debt service mill levy will be assessed to satisfy the annual loan payments.

REVENUE

- Total Revenue in 2021 is projected to be \$432,955, \$51,834 more than the 2020 budget.
- The largest single source of revenue is proposed to be general property tax revenue amounting to \$170,353, 73.0 percent of total District general revenue. Assessment of the District's mill levy (2.493 mills) will result in property tax revenue in excess of TABOR and the state 5.5 percent revenue limitations. Thus, a mill levy reduction of .815 mills will be certified to bring tax revenue into alignment with said revenue limitations. Certification of a mill levy of 1.678 mills will result in property taxes amounting to \$170,353 \$1,506 more than 2020 budgeted property tax revenue. A breakdown of assessed valuations and property tax revenue for each county is shown on page two of the budget.

- The property tax assessment for the year 2021, needed to pay the annual loan payment is \$121,361. The mill levy rate for this assessment is 1.195.
- Specific Ownership Tax income amounting to \$21,879 is budgeted for 2021. Specific ownership taxes represent the District's share of automobile registration fees and are remitted to the District by the county treasurers in accordance with a formula based on each local government's mill levy certification.
- Investment income is projected to decrease \$4,665 from estimated 2020 revenue of \$6,725 to \$2,060 budgeted for 2021. Given current market conditions the average yield on District investments in 2021 is projected to be .3 percent.
- Valley's Sanitary Sewer System Rehabilitation Enterprise will impose a service fee for 2021 that will be assessed on all City of Englewood sewer bills to Valley customers. Service fee revenue is 10 percent of each customers' City of Englewood sewer bill. The revenue will be collected by Englewood and remitted to Valley. Projected service fee revenue for 2021 is estimated to be \$78,074, \$3,489 more than budgeted in 2020. This increase is consistent with the projected 4.5% increase in sewer rates in 2021 by the City of Englewood.
- No tap fee revenue is expected in 2021.
- The District has Intergovernmental Agreements with Columbine Water and Sanitation District and Bow Mar Water and Sanitation District that provide for cost sharing provisions for capital and maintenance costs related to the outfall interceptor owned by the District. Revenue of \$36,120 has been budgeted in 2021 for the reimbursement of costs by these entities related to the District's outfall sewer replacement project and ongoing maintenance of the new lift station and outfall sewer main.

EXPENSES

- Total expenses for 2021 are budgeted at \$415,286, \$237,505 for operations, \$121,361 for debt service, and \$56,420 for contingencies and emergency reserves.
- Sanitary sewer maintenance expenses for 2021 are budgeted at \$80,390, \$20,045 less than \$100,435 budgeted in 2020. Projected maintenance expenses are based on the District's preventive maintenance program and represent 33.8 percent of total operating expenses.
- Remedial and emergency repairs for 2021 are budgeted at \$20,000. Remedial maintenance does not include any specific maintenance activities but reserves funds for repairs determined to be necessary throughout the year as a result of sewer video inspections. Emergency repairs include costs associated with sewer backup response and remediation. Again, funds are not allocated to specific activities, but are available if needed.

- The 2021 budget includes \$10,000 for general engineering services, \$5,000 more than the amount budgeted in 2020. The District will incur additional engineering consulting costs during 2021 to produce training videos for the maintenance and operation of the new lift station.
- As part of the outfall sewer replacement project a new lift station was placed in service during the fourth quarter of 2020. General maintenance includes repairs and maintenance to the lift station pumps, motors, control systems and related equipment to maintain performance. Additionally, an inventory of parts will be acquired during 2021 for replacements on an as needed basis. Total lift station maintenance costs are budgeted at \$10,670.
- Lift station utilities include costs for electric, gas, water, SCADA monitoring, and security services. Lift station utility expenses for 2021 are budgeted at \$10,560.
- Administrative expenses are budgeted at \$50,000 in 2021; the same amount budgeted in 2020. This line item includes administration, financial, and management functions conducted by Platte Canyon Water and Sanitation District staff under the Intergovernmental Agreement between Valley and Platte Canyon.
- Advertising and publication expenses include publication of special district compliance notices. The budget for 2021 for this line item is \$165 the same amount budgeted in 2019.
- The budget for legal services which are authorized on an as needed basis is \$10,000, which is the same amount budgeted in 2020.
- The 2021 budget amount to conduct the annual audit is \$5,000, the same amount budgeted in 2020.
- Meeting hall rent represents the expenditure for rental of meeting space for monthly Board of Directors meetings. The amount budgeted for 2021 is \$300, the same amount budgeted in 2020.
- Insurance for general liability, officers and directors' liability, worker's compensation, and commercial crime coverages are obtained from the Colorado Special District's Property and Liability Pool. The amount budgeted for all coverages in 2021 is \$6,800, \$2,050 more than the amount budgeted in 2020, but more consistent with the 2020 estimated amount of \$6,635.
- The District is required by state statute to be a member of Colorado 811. As a tier one member of Colorado 811, Valley is required to pay for each utility location request transmitted to the District. The amount budgeted for utility location charges in 2021 is \$3,500, the same amount budgeted in 2020.

- Supplies includes routine office, stationary and filing materials. The budget for this line item is \$250, half the amount budgeted in 2020.
- Director's fees and expenses are budgeted at \$6,000 and assume 100 percent attendance of all directors at all regularly scheduled Board meetings.
- Salaries and payroll taxes represent personnel costs for the District manager. The budget for 2021 is \$8,500, the same amount budgeted in 2020.
- County treasurers are allowed to retain 1.5% of all property tax revenue collected as a processing fee. Treasurer's fees charged by Denver and Arapahoe Counties are budgeted at \$4,370.
- The 2021 budget includes \$5,000 for public relations related expenses such as newsletters, informational brochures, and website expenses. This is equal to the amount budgeted in 2020.
- The District may seek voter approval to collect, retain, and spend all revenues from all sources as a voter approved revenue change and exception to the limits that apply under the TABOR amendment and other statutory limitations. Election expense for 2021 is budgeted at \$5,000
- The 2021 budget reserves \$35,530 for unbudgeted contingencies that may arise during the year. This amount is \$570 more than budgeted in 2020. In addition, \$20,790 is budgeted as an emergency reserve as required by the TABOR Amendment.

PROPERTY TAXES

- The general operations mill levy for Valley Sanitation District in 2021 (tax year 2020) is proposed to remain the same as the levy certified in tax years 2006 through 2020, 2.493 mills. However, due to the growth in assessed values of all taxable property within the Valley Sanitation District, a mill levy reduction of .815 mills will be imposed in 2021. The mill levy to be certified to Denver and Arapahoe Counties will be 1.678 mills, 0.009 mills higher than the mill levy certified in 2020.
- Repayment of the \$2,700,000 loan received from the Colorado Water Resources and Power Development Authority is financed through the assessment of property taxes generated by an annual mill levy until paid. Each year's debt service mill levy will be sufficient to pay the principal and interest due that year. A mill levy of 1.195 will be certified to Denver and Arapahoe Counties in anticipation of the debt service payment due in the amount of \$121,361.
- Assessed values increased this year to \$101,521,653 from \$101,066,845 assessed in 2020. Eighty percent of the District assessed value is located in Arapahoe County and twenty percent in Denver County.

- Total property tax revenue for operations proposed for 2021 is \$170,353; \$1,506 more than the budgeted amount of \$168,847 in 2020.

LEASE - PURCHASE AGREEMENTS

- As required by *C.R.S. 29-1-103(3)(d)*, the 2021 budget includes a schedule for lease purchase agreements. Valley does not have any lease-purchase agreements requiring expenditure of funds in 2017.

TEN YEAR FINANCIAL PLAN

- The Ten-Year Financial Plan projects a reserve fund balance of \$692,858 at year end 2020. The fund balance is projected to increase (including contingency and TABOR emergency reserve expenditures) to \$710,527 in 2021. Over the ten-year planning period the reserve fund balance is projected to decrease to a deficit of \$1,724,313. This decrease is due to significant capital outlay scheduled to begin in 2025. The Board reviews the fund balance every year to determine the adequacy of the reserves to fund District administrative, operations, maintenance, and capital project expenditures.
- Debt service payments on the loan begin in 2020 and extend to 2049 at which time the debt is retired.
- The average yield on District investments is assumed to be .3 percent in 2021, 1% in 2022 and increases 0.5 percent every year until it reaches 3.0 percent.
- Service fees are projected to remain stable at 10 percent of each customer's sewer billing for City of Englewood sewer treatment services. The City is projecting a 4.5% increase in rates for 2021 which will result in a corresponding increase in revenue for the District. The rate is assumed to increase 1.5% every year beginning in 2022. Revenue from the Enterprise is expected to produce \$835,605, approximately 18.0 percent of all District revenue over the ten-year planning period.
- Operating expenses are projected to increase 2.5 percent in 2022 and increase by one-half a percent per year to a maximum of 3.5 percent per year thereafter.
- Rehabilitation of the District's small diameter concrete pipe sewer mains are scheduled for replacement over a five-year period beginning in 2025. Rehabilitation of these sewer mains are necessary due to pipe deterioration and compromised structural integrity caused by sewer gases. The total amount of the rehabilitation is projected to be \$3,075,000. An additional revenue source will be required in order to fund the capital outlay.

RESOLUTION 2020-11-1

A RESOLUTION TO ADOPT A BUDGET FOR VALLEY SANITATION DISTRICT, ARAPAHOE AND DENVER COUNTIES, COLORADO FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2021 AND ENDING DECEMBER 31, 2021.

WHEREAS, the Board of Directors of Valley Sanitation District has appointed Patrick Fitzgerald to prepare and submit a proposed budget to said governing body at the proper time, and;

WHEREAS, a proposed budget reflecting anticipated revenue and expenses for Valley Sanitation District, Arapahoe and Denver Counties, Colorado, for the calendar year beginning January 1, 2021, and ending December 31, 2021, was presented to the Board of Directors on or before October 15, 2020, for its consideration, and;

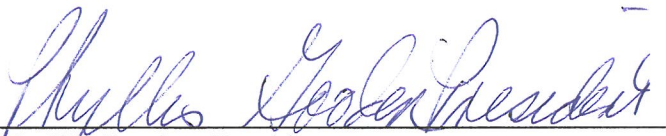
WHEREAS, notice of submittal of the proposed budget to the Board of Directors and notice of the date and time of a public hearing to consider adoption of the proposed budget has been published in newspapers of general circulation within Valley Sanitation District; and further, the proposed budget has been available for inspection at the at 8739 W. Coal Mine Avenue, Littleton, Colorado, and interested electors of the District have been given the opportunity to file or register objections to the proposed budget, and;

WHEREAS, a copy of the proposed budget for Valley Sanitation District for calendar year 2021 is attached hereto and made a part hereof, and;

WHEREAS, said budget lists all proposed expenditures for administration, operations, maintenance, and capital projects and expenditures, all anticipated revenues, estimated or actual beginning and ending fund balances, and a budget message describing the important features of the proposed budget;


NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VALLEY SANITATION DISTRICT that the budget as submitted, amended, and affixed hereto is hereby approved and adopted as the official budget of the Valley Sanitation District for the calendar year beginning January 1, 2021, and ending December 31, 2021.

ADOPTED BY THE BOARD OF DIRECTORS OF VALLEY SANITATION DISTRICT
THIS 11th DAY OF NOVEMBER 2020.



Phyllis Gooden, President

ATTEST:



Mary Alice Ledbetter, Secretary

RESOLUTION 2020-11-2

**A RESOLUTION TO APPROPRIATE SUMS OF MONEY
IN THE AMOUNTS AND FOR THE PURPOSES
AS SET FORTH BELOW FOR THE
VALLEY SANITATION DISTRICT
FOR THE 2021 BUDGET YEAR**


WHEREAS, the Board of Directors of Valley Sanitation District has approved and adopted the annual budget for said District for the budget year 2021 and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below for the operations and expenditures of the Valley Sanitation District,

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VALLEY SANITATION DISTRICT, ARAPAHOE AND DENVER COUNTIES, COLORADO that the sum of FOUR HUNDRED FIFTEEN THOUSAND TWO HUNDRED EIGHTY SIX AND NO/100 DOLLARS (\$415,286) is hereby appropriated for expenditure during calendar year 2021:

**ADOPTED BY THE BOARD OF DIRECTORS OF VALLEY SANITATION DISTRICT
THIS 11TH DAY OF NOVEMBER 2020.**


Phyllis Gooden, President

ATTEST:


Mary Alice Ledbetter, Secretary

RESOLUTION 2020-11-3

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR TAX YEAR 2020 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE VALLEY SANITATION DISTRICT FOR THE 2021 BUDGET YEAR

WHEREAS, the Board of Directors of Valley Sanitation District has approved and adopted the annual budget for 2021 in accordance with the Colorado Local Government Budget Law, and;

WHEREAS, the approved budget for 2021 contemplates funding a portion of anticipated expenses with certification of a property tax mill levy to be assessed upon all taxable property within Valley Sanitation District, and;

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is ONE HUNDRED SEVENTY THOUSAND THREE HUNDRED FIFTY THREE AND NO/100 DOLLARS (\$170,353), and;

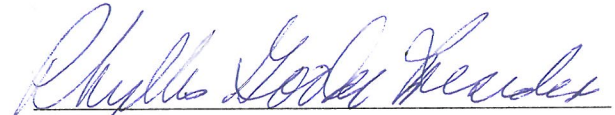
WHEREAS, the amount of money necessary to balance the budget for voter-approved general obligation debt is ONE HUNDRED TWENTY ONE THOUSAND THREE HUNDRED SIXTY ONE AND NO/100 DOLLARS (\$121,361), and;

WHEREAS, the tax year 2020 valuation for assessment for the Valley Sanitation District as certified by the County Assessors of Arapahoe and Denver Counties is \$101,521,653,


NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VALLEY SANITATION DISTRICT, ARAPAHOE AND DENVER COUNTIES, COLORADO that for the purpose of meeting all expenses of the Valley Sanitation District during the 2021 budget year there is hereby levied a tax of 2.873 mills upon each dollar of total valuation for assessment for tax year 2020, said 2.873 mill levy being certified for assessment as follows:

General Operating Expenses	2.493 mills
Temporary Mill Levy Reduction	(0.807) mills
Abatements	.007 mills
General Obligation Debt Expenses	1.195 mills
Total Mill Levy Certified for Assessment Upon All Taxable Property Within Valley Sanitation District	2.888 mills

ADOPTED BY THE BOARD OF DIRECTORS OF VALLEY SANITATION DISTRICT
THIS 11th DAY OF NOVEMBER 2020.


Phyllis Gooden, President

ATTEST:


Mary Alice Ledbetter, Secretary

VALLEY SANITATION DISTRICT 2021 BUDGET

	ACTUAL 2018	ACTUAL 2019	BUDGET 2020	ESTIMATED 2020	PROPOSED BUDGET 2021	DIFFERENCE FROM 2020 BUDGET	
Beginning Balance January 1	\$665,000	\$436,412	\$3,040,050	\$3,059,385	\$692,858		
REVENUE							
Property Taxes - Operations	\$156,067	\$165,054	\$168,847	\$168,680	\$170,353	\$1,506	0.89%
Property Taxes - Debt Service	\$0	\$10,020	\$70,691	\$70,690	\$121,361	\$50,670	71.68%
Specific Ownership Taxes	\$10,957	\$13,946	\$17,980	\$15,600	\$21,879	\$3,899	21.68%
Interest Earned	\$10,280	\$11,992	\$11,010	\$6,725	\$2,060	(\$8,950)	-81.29%
Service Fee (Enterprise)	\$66,910	\$71,616	\$74,585	\$74,600	\$78,074	\$3,489	4.68%
System Development Fee (Tap Fees)		\$16,800	\$0	\$0	\$0	\$0	0.00%
Loan Proceeds		\$2,700,000	\$0	\$0	\$0	\$0	0.00%
IGA Cost Sharing		\$14,900	\$34,900	\$35,742	\$36,120	\$1,220	3.50%
Other	\$3,224	\$8,953	\$3,108	\$3,108	\$3,108	\$0	0.00%
Total Revenue	\$247,438	\$3,013,281	\$381,121	\$375,145	\$432,955	\$51,834	13.60%
OPERATING EXPENDITURES							
<u>MAINTENANCE</u>							
Maintenance & Repairs	\$84,594	\$85,606	\$100,435	\$79,322	\$80,390	(\$20,045)	-19.96%
Repairs Remedial/Emergency	\$93	\$960	\$10,000	\$10,115	\$20,000	\$10,000	100.00%
Engineering - GIS	\$5,485	\$2,868	\$0	\$0	\$0	\$0	0.00%
Engineering	\$0	\$0	\$5,000	\$0	\$10,000	\$5,000	100.00%
Lift Station Maintenance	\$0	\$0	\$10,000	\$1,000	\$10,670	\$670	6.70%
Lift Station Utilities	\$0	\$0	\$0	\$2,400	\$10,560	\$10,560	0.00%
<u>ADMINISTRATION</u>							
Administrative Expenses	\$46,926	\$39,902	\$50,000	\$45,500	\$50,000	\$0	0.00%
Advertising & Publication	\$23	\$103	\$165	\$165	\$165	\$0	0.00%
Legal	\$11,299	\$1,798	\$10,000	\$1,605	\$10,000	\$0	0.00%
Audit	\$4,700	\$4,800	\$5,000	\$4,800	\$5,000	\$0	0.00%
Meeting Hall Rent	\$150	\$450	\$300	\$150	\$300	\$0	0.00%
Insurance	\$4,288	\$4,543	\$4,750	\$6,635	\$6,800	\$2,050	43.16%
UNCC	\$2,538	\$1,655	\$3,500	\$2,100	\$3,500	\$0	0.00%
Supplies	\$208	\$48	\$500	\$114	\$250	(\$250)	-50.00%
Director's Fees & Expenses	\$7,900	\$5,600	\$6,000	\$6,000	\$6,000	\$0	0.00%
Salaries & Payroll Taxes	\$7,751	\$7,789	\$8,500	\$8,210	\$8,500	\$0	0.00%
Treasurers Tax Collection Fee	\$2,203	\$2,452	\$3,600	\$3,100	\$4,370	\$770	21.39%
Public Relations	\$60	\$0	\$5,000	\$61	\$5,000	\$0	0.00%
Election Expense	\$39	\$0	\$5,000	\$450	\$5,000	\$0	0.00%
Other	\$710	\$752	\$1,000	\$480	\$1,000	\$0	0.00%
Sub-Total Operating Expenses	\$178,967	\$159,326	\$228,750	\$172,207	\$237,505	\$8,755	3.83%
DEBT SERVICE							
Debt - Issuance costs	\$0	\$7,500	\$0	\$0	\$0	\$0	0.00%
Debt - Principal	\$0	\$0	\$39,246	\$39,246	\$68,487	\$29,241	74.51%
Debt - Interest	\$0	\$0	\$31,445	\$31,445	\$52,874	\$21,429	68.15%
Sub-Total Debt Service	\$0	\$7,500	\$70,691	\$70,691	\$121,361	\$50,670	71.68%
CAPITAL EXPENDITURES							
Capital Outlay	\$297,059	\$223,482	\$2,444,714	\$2,498,774	\$0	(\$2,444,714)	-100.00%
Sub-Total Capital Expenditures	\$297,059	\$223,482	\$2,444,714	\$2,498,774	\$0	(\$2,444,714)	-100.00%
Contingency	\$0	\$0	\$34,310	\$0	\$35,630	\$1,320	3.85%
TABOR Emergencies Reserve	\$0	\$0	\$17,630	\$0	\$20,790	\$3,160	17.92%
Total Expenditures	\$476,026	\$390,308	\$2,796,095	\$2,741,672	\$415,286	(\$2,380,809)	-85.15%
Ending Balance December 31	\$436,412	\$3,059,385	\$625,076	\$692,858	\$710,527		

VALLEY SANITATION DISTRICT 2021 BUDGET

PROPERTY TAXES ASSESSED

	Tax Year 2017	Tax Year 2018	Tax Year 2019	Tax Year 2020
Assessed Valuation				
Arapahoe County	\$62,888,672	\$65,734,822	\$80,809,755	\$81,317,513
Denver County	\$13,584,410	\$16,643,840	\$20,257,090	\$20,204,140
Total Valuation	\$76,473,082	\$82,378,662	\$101,066,845	\$101,521,653
Mill Levy - Operations	2.493	2.493	2.493	2.493
Temporary Mill levy Reduction	(0.439)	(0.496)	(0.824)	(0.815)
Abatements	0.012	0.012	0.002	0.000
Net Mill Levy - Operations	2.054	2.009	1.671	1.678
Mill Levy - Debt Service	0.000	0.000	0.699	1.195
Property Tax Revenue - General	\$157,076	\$164,510	\$168,681	\$170,353
Abatements	\$0	\$1,004	\$193	\$0
Property Tax Revenue - Debt Service	\$0	\$0	\$70,691	\$121,361
Property Tax Revenue	\$157,076	\$165,514	\$239,565	\$291,714
Arapahoe County - General	\$129,173	\$131,272	\$134,871	\$136,451
Arapahoe County - Abatements	\$0	\$989	\$154	\$0
Arapahoe County - Debt service	\$0	\$0	\$56,522	\$97,209
Denver County - General	\$27,902	\$33,238	\$33,809	\$33,903
Denver County - Abatements	\$0	\$15	\$39	\$0
Denver County - Debt Service	\$0	\$0	\$14,169	\$24,152
	\$157,076	\$165,514	\$239,565	\$291,714
Effect of Operating Mill levy Reduction (TABOR):				
Total revenue loss due to required levy reduction	\$33,572	\$40,860	\$83,279	\$82,740
Total potential operating revenue without reduction	\$190,648	\$205,369	\$251,959	\$253,093

**VALLEY SANITATION DISTRICT
2021 BUDGET**

**SCHEDULE I
LEASE - PURCHASE SUPPLEMENTAL SCHEDULE
(29-1-103(3)(d), C.R.S)**

I. Real Property Lease - Purchase Agreements:

Total Amount to be expended for all Real Property Lease -
Purchase Agreements in 2015 \$0.00

II. All Lease - Purchase Agreements Not Involving Real Property:

Total Amount to be expended for all Non-Real Property Lease -
Purchase Agreements in 2015 \$0.00

VALLEY SANITATION DISTRICT Ten Year Financial Plan (2021-2030)

Summary

	ACTUAL			ESTIMATED			BUDGETED					
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
BEGINNING FUNDS AVAILABLE	\$436,412	\$3,059,385	\$692,858	\$710,527	\$850,441	\$934,838	\$1,028,031	\$487,652	-\$60,981	-\$630,159	-\$1,196,579	-\$1,769,287
REVENUES												
Property taxes General Revenue (Exhibit 1)	165,054	168,680	170,353	175,464	180,728	186,150	191,734	197,486	203,411	209,513	215,799	222,272
Property taxes Debt Service (Exhibit 1)	10,020	70,690	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361
Specific ownership taxes	13,946	15,600	21,879	22,262	22,657	23,063	23,482	23,914	24,358	24,816	25,287	25,773
Service Fees (Enterprise)	71,616	74,600	78,074	79,245	80,434	81,640	82,865	84,108	85,370	86,650	87,950	89,269
Investment income (@ .3%, 1% in 2022 +.5%/yr max 3%)	11,992	6,725	2,060	7,669	12,757	18,697	25,701	14,630	0	0	0	0
Other	8,953	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108
System Development Fees	16,800	0	0	0	0	0	0	0	0	0	0	0
IGA Cost Sharing	14,900	35,742	36,120	34,900	34,900	34,900	14,900	14,900	14,900	14,900	14,900	14,900
Contingency Addback				56,420								
Bond proceeds	2,700,000	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	3,013,281	375,145	432,955	500,429	455,944	468,919	463,151	459,506	452,507	460,348	468,404	476,683
EXPENSES												
Operations (2022 @2.5%+.5%/yr max 3.5%)												
Sewer Operations	85,606	79,322	80,390	82,400	84,872	87,842	90,917	94,099	97,392	100,801	104,329	107,981
Sewer - Remedial Projects	960	10,115	20,000	20,500	21,115	21,854	22,619	23,411	24,230	25,078	25,956	26,864
Sewer - Engineering/GIS Engineering	2,868	0	10,000	10,000	10,300	10,661	11,034	11,420	11,819	12,233	12,661	13,104
Lift Station maintenance	0	1,000	10,670	10,937	11,265	11,659	12,067	12,490	12,927	13,379	13,847	14,332
Lift Station Utilities	0	2,400	10,560	10,824	11,149	11,539	11,943	12,361	12,793	13,241	13,705	14,184
Administrative	39,902	45,500	50,000	51,250	52,788	54,635	56,547	58,526	60,575	62,695	64,889	67,160
Legal	1,798	1,605	10,000	12,000	12,360	12,793	13,240	13,704	14,183	14,680	15,194	15,725
Audit	4,800	4,800	5,000	5,125	5,279	5,464	5,655	5,853	6,057	6,269	6,489	6,716
Insurance	4,543	6,635	6,800	6,970	7,179	7,430	7,690	7,960	8,238	8,527	8,825	9,134
UNCC	1,655	2,100	3,500	3,588	3,695	3,824	3,958	4,097	4,240	4,389	4,542	4,701
Supplies	48	114	250	256	264	273	283	293	303	313	324	336
Director Fees	5,600	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Payroll	7,789	8,210	8,500	8,713	8,930	9,154	9,382	9,617	9,857	10,104	10,356	10,615
County Treasurer Fees	2,452	3,100	4,370	2,966	3,051	3,138	3,228	3,321	3,417	3,515	3,616	3,721
Public Relations	0	61	5,000	5,125	5,279	5,464	5,655	5,853	6,057	6,269	6,489	6,716
Election	0	450	5,000	1,000	5,115	1,035	5,294	1,071	5,479	1,109	5,671	1,148
Other	8,805	795	1,465	1,502	1,547	1,601	1,657	1,705	1,754	1,805	1,857	1,910
Total Operating Expenses	166,826	172,207	237,505	239,154	250,186	254,365	267,169	271,778	285,324	290,407	304,751	310,348
Long Term Capital Outlay Expenditures (Exhibit 2)												
Sewer	223,482	2,498,774	0	0	0	0	615,000	615,000	615,000	615,000	615,000	0
Total Long Term Capital Expenses	223,482	2,498,774	0	0	0	0	615,000	615,000	615,000	615,000	615,000	0
Debt Service (Exhibit 1)												
Prinical payments	0	39,246	68,487	69,863	71,267	72,700	74,161	75,652	77,172	78,723	80,306	81,920
Interest payments	0	31,445	52,874	51,498	50,094	48,661	47,200	45,709	44,189	42,637	41,055	39,441
Total Debt Service Expenses	0	70,691	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361
Contingency / Tabor Emergency Reserve	0	0	56,420	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	390,308	2,741,672	415,286	360,515	371,547	375,726	1,003,530	1,008,139	1,021,684	1,026,768	1,041,112	431,709
Annual Surplus/(Deficit)	2,622,973	-2,366,527	17,669	139,914	84,397	93,193	-540,379	-548,633	-569,177	-566,420	-572,708	44,974
ENDING FUNDS AVAILABLE	3,059,385	692,858	710,527	850,441	934,838	1,028,031	487,652	-60,981	-630,159	-1,196,579	-1,769,287	-1,724,313

**VALLEY SANITATION DISTRICT
Ten Year Financial Plan (2021-2030)**

EXHIBIT 1 PROPERTY TAX REVENUE

	ACTUAL		ESTIMATED									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Assessed Valuation												
Taps Sold	13	0	0	0	0	0	0	0	0	0	0	0
Total Taps	2,251	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264
Assessed Value per Tap (3% - 2020, then 3% every even year)	36,596	44,641	44,842	46,187	46,187	47,573	47,573	49,000	49,000	50,470	50,470	51,984
New Assessed Value	402,561	0	0	0	0	0	0	0	0	0	0	0
Assessed Value	82,378,662	101,066,845	101,521,653	104,567,303	104,567,303	107,704,322	107,704,322	110,935,451	110,935,451	114,263,515	114,263,515	117,691,420
General Operations												
Assessed Valuation	82,378,662	101,066,845	101,521,653	104,567,303	104,567,303	107,704,322	107,704,322	110,935,451	110,935,451	114,263,515	114,263,515	117,691,420
General Operating Mill Levy+Abatements	2.493	2.495	2.493	2.493	2.493	2.493	2.493	2.493	2.493	2.493	2.493	2.493
Temporary mill levy reduction (5.5% limitation)	-0.496	-0.824	-0.815									
TABOR mill levy reduction (3% of PY revenue)				-0.815	-0.765	-0.765	-0.713	-0.713	-0.659	-0.659	-0.604	-0.604
TABOR Restriction Refund (Rev increase limited to 3% of PY)				-85,222	-79,958	-82,357	-76,773	-79,076	-73,151	-75,346	-69,060	-71,132
General Operating Property Tax	164,510	168,883	170,353	175,464	180,728	186,150	191,734	197,486	203,411	209,513	215,799	222,272
Debt Service												
Assessed Value	82,378,662	101,066,845	101,521,653	104,567,303	104,567,303	107,704,322	107,704,322	110,935,451	110,935,451	114,263,515	114,263,515	117,691,420
Mill Levy	0.000	0.012	1.195	1.161	1.161	1.127	1.127	1.094	1.094	1.062	1.062	1.031
Property tax	0	10,010	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361
Total Property Tax Revenue	164,510	178,893	291,714	296,825	302,089	307,511	313,095	318,847	324,772	330,874	337,159	343,633
Total Mill Levy	1.997	1.683	3.688	3.654	3.654	3.620	3.620	3.587	3.587	3.555	3.555	3.524
Service Charge per Year (10% of COE bill)												
- Increase service charge 4.5% in 2021, 1.5%/yr beginning in 2022	31	33	34	35	36	36	37	37	38	38	39	39
Taps	2,251	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264
Total Annual Service Fee	69,781	74,712	78,074	79,245	80,434	81,640	82,865	84,108	85,370	86,650	87,950	89,269

**VALLEY SANITATION DISTRICT
Ten Year Financial Plan (2021-2030)**

EXHIBIT 2 CAPITAL EXPENDITURES - DISTRICT CAPITAL IMPROVEMENTS

	<u>ACTUAL</u>		<u>ESTIMATED</u>									
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
SEWER												
Sewer Rehabilitation (CIPP)	223,482	2,493,817					615,000	615,000	615,000	615,000	615,000	
Additional Capital Sewer Projects			10,000									
TOTAL SEWER	223,482	2,493,817	10,000	0	0	0	615,000	615,000	615,000	615,000	615,000	0
CONTINGENCY/EMERGENCY	0	0	56,420									
TOTAL CAPITAL	223,482	2,493,817	66,420	0	0	0	615,000	615,000	615,000	615,000	615,000	0

VALLEY SANITATION DISTRICT
Ten Year Financial Plan (2021-2030)
 Summary **With Capital Funding**

	ACTUAL			ESTIMATED			BUDGETED					
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
BEGINNING FUNDS AVAILABLE	\$436,412	\$3,059,385	\$692,858	\$710,527	\$850,441	\$934,838	\$1,028,031	\$487,652	\$2,439,019	\$1,952,392	\$1,453,923	\$934,212
REVENUES												
Property taxes General Revenue (Exhibit 1)	165,054	168,680	170,353	175,464	180,728	186,150	191,734	197,486	203,411	209,513	215,799	222,272
Property taxes Debt Service (Exhibit 1)	10,020	70,690	121,361	121,361	121,361	121,361	121,361	121,361	248,328	248,328	248,328	248,328
Specific ownership taxes	13,946	15,600	21,879	22,262	22,657	23,063	23,482	23,914	33,880	34,338	34,809	35,295
Service Fees (Enterprise)	71,616	74,600	78,074	79,245	80,434	81,640	82,865	84,108	85,370	86,650	87,950	89,269
Investment income (@.3%, 1% in 2022 +.5%/yr max 3%)	11,992	6,725	2,060	7,669	12,757	18,697	25,701	14,630	73,171	58,572	43,618	28,026
Other	8,953	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108
System Development Fees	16,800	0	0	0	0	0	0	0	0	0	0	0
IGA Cost Sharing	14,900	35,742	36,120	34,900	34,900	34,900	14,900	14,900	14,900	14,900	14,900	14,900
Contingency Addback				56,420								
Bond proceeds	2,700,000	0	0	0	0	0	0	2,500,000	0	0	0	0
TOTAL REVENUE	3,013,281	375,145	432,955	500,429	455,944	468,919	463,151	2,959,506	662,167	655,409	648,512	641,199
EXPENSES												
Operations (2022 @2.5%+.5%/yr max 3.5%)												
Sewer Operations	85,606	79,322	80,390	82,400	84,872	87,842	90,917	94,099	97,392	100,801	104,329	107,981
Sewer - Remedial Projects	960	10,115	20,000	20,500	21,115	21,854	22,619	23,411	24,230	25,078	25,956	26,864
Sewer - Engineering/GIS Engineering	2,868	0	10,000	10,000	10,300	10,661	11,034	11,420	11,819	12,233	12,661	13,104
Lift Station maintenance	0	1,000	10,670	10,937	11,265	11,659	12,067	12,490	12,927	13,379	13,847	14,332
Lift Station Utilities	0	2,400	10,560	10,824	11,149	11,539	11,943	12,361	12,793	13,241	13,705	14,184
Administrative	39,902	45,500	50,000	51,250	52,788	54,635	56,547	58,526	60,575	62,695	64,889	67,160
Legal	1,798	1,605	10,000	12,000	12,360	12,793	13,240	13,704	14,183	14,680	15,194	15,725
Audit	4,800	4,800	5,000	5,125	5,279	5,464	5,655	5,853	6,057	6,269	6,489	6,716
Insurance	4,543	6,635	6,800	6,970	7,179	7,430	7,690	7,960	8,238	8,527	8,825	9,134
UNCC	1,655	2,100	3,500	3,588	3,695	3,824	3,958	4,097	4,240	4,389	4,542	4,701
Supplies	48	114	250	256	264	273	283	293	303	313	324	336
Director Fees	5,600	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Payroll	7,789	8,210	8,500	8,713	8,930	9,154	9,382	9,617	9,857	10,104	10,356	10,615
County Treasurer Fees	2,452	3,100	4,370	2,966	3,051	3,138	3,228	3,321	3,559	3,658	3,759	3,864
Public Relations	0	61	5,000	5,125	5,279	5,464	5,655	5,853	6,057	6,269	6,489	6,716
Election	0	450	5,000	1,000	5,115	1,035	5,294	1,071	5,479	1,109	5,671	1,148
Other	8,805	795	1,465	1,502	1,547	1,601	1,657	1,705	1,754	1,805	1,857	1,910
Total Operating Expenses	166,826	172,207	237,505	239,154	250,186	254,365	267,169	271,778	285,466	290,550	304,894	310,491
Long Term Capital Outlay Expenditures (Exhibit 2)												
Sewer	223,482	2,498,774		0	0	0	615,000	615,000	615,000	615,000	615,000	0
Total Long Term Capital Expenses	223,482	2,498,774	0	0	0	0	615,000	615,000	615,000	615,000	615,000	0
Debt Service (Exhibit 1)												
Prinical payments	0	39,246	68,487	69,863	71,267	72,700	74,161	75,652	129,529	132,663	135,876	139,169
Interest payments	0	31,445	52,874	51,498	50,094	48,661	47,200	45,709	118,799	115,665	112,453	109,159
Total Debt Service Expenses	0	70,691	121,361	121,361	121,361	121,361	121,361	121,361	248,328	248,328	248,328	248,328
Contingency / Tabor Emergency Reserve	0	0	56,420	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	390,308	2,741,672	415,286	360,515	371,547	375,726	1,003,530	1,008,139	1,148,794	1,153,878	1,168,222	558,819
Annual Surplus/(Deficit)	2,622,973	-2,366,527	17,669	139,914	84,397	93,193	-540,379	1,951,367	-486,627	-498,469	-519,710	82,380
ENDING FUNDS AVAILABLE	3,059,385	692,858	710,527	850,441	934,838	1,028,031	487,652	2,439,019	1,952,392	1,453,923	934,212	1,016,592