

VALLEY SANITATION DISTRICT

2023 BUDGET REPORT

SUMMARY

The 2023 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 2023 budget include operation, maintenance and repair of Valley's 27.2 miles of sanitary sewer mains.

Total revenue from all sources in 2023 is projected to be \$616,156; general revenue of \$284,795, debt service revenue of \$121,361 and enterprise revenue of \$210,000. Total expenditures including debt service, capital items, contingencies and emergency reserves are budgeted at \$850,586. Operating expenditures are budgeted at \$317,535, \$40,695 more than 2022 budgeted expenses. Principal and interest payments of \$71,267 and \$50,094, respectively, are budgeted to satisfy the annual loan payments. Capital expenditures are budgeted at \$340,000.

Beginning funds available in 2023 are estimated to be \$802,055. The reserve fund balance is projected to decrease \$234,430 to \$567,625 at year end 2023.

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 2023 is projected to be \$616,156, \$150,726 more than the 2022 budget.
- General property tax revenue amounting to \$188,299, 30.1 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 .751 mills will be certified to bring tax revenue into alignment with said revenue limitations. Certification of a mill levy of 1.742 mills will result in property taxes amounting to \$188,299, \$10,369 more than 2022 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 2023, needed to pay the annual loan payment is

\$121,361. The mill levy rate for this assessment is 1.123.

- Specific Ownership Tax income amounting to \$15,739 is budgeted for 2023. 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 increase \$5,120 from estimated 2022 revenue of \$10,920 to \$16,040 budgeted for 2023. Given current market conditions the average yield on District investments in 2023 is projected to be 2.0 percent.
- In November of 2022, the District sought 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. This recovered revenue would have enabled the District to fund significant rehabilitation projects that have been identified and are required to maintain the sewer system. The Sanitary Sewer System Rehabilitation Enterprise will impose a service fee for 2023 that will be assessed on all City of Englewood sewer bills to Valley customers. As a result of the failed TABOR proposal, the service fee will be increased from 15 percent to 30 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 2023 is estimated to be \$210,000, \$103,535 more than budgeted in 2022.
- No tap fee revenue is expected in 2023.
- 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 has been budgeted in 2023 for the reimbursement of costs by these entities related to the District's outfall sewer replacement project of \$35,034 and ongoing maintenance of the new lift station and outfall sewer main of \$26,575.

EXPENSES

- Total expenses for 2023 are budgeted at \$850,586, \$317,535 for operations, \$121,361 for debt service, \$340,000 for capital outlay, and \$71,690 for contingencies and emergency reserves.
- Sanitary sewer maintenance expenses for 2023 are budgeted at \$158,180, \$32,275 more than \$125,905 budgeted in 2022. Projected maintenance expenses are based on the District's preventive maintenance program and represent 49.8 percent of total operating expenses.
- Remedial and emergency repairs for 2023 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 because 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 2023 budget includes \$10,000 for general engineering services, the same as the amount budgeted in 2022. The District will incur engineering consulting costs during 2023 to produce training videos for the maintenance and operation of the new lift station. This project was anticipated to be completed during 2022 but has been delayed until 2023.
- 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. Total lift station maintenance costs are budgeted at \$5,800.
- Lift station utilities include costs for electric, gas, water, SCADA monitoring, and security services. Lift station utility expenses for 2023 are budgeted at \$15,875, \$795 more than the amount budgeted in 2021.
- Administrative expenses are budgeted at \$45,000 in 2023; the same as the amount budgeted in 2022. 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 2023 for this line item is \$165 the same amount budgeted in 2021.
- The budget for legal services which are authorized on an as needed basis is \$10,000, which is the same amount budgeted in 2022.
- The 2023 budget amount to conduct the annual audit is \$5,000, the same amount budgeted in 2022.
- The meeting hall rent for office space to conduct monthly Board of Directors meetings is no longer needed due to utilizing the office of Platte Canyon beginning in 2021.
- 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 2023 is \$15,500, \$2,400 or 18.3%, more than the amount budgeted in 2022.
- 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 2023 is

\$3,500, the same amount budgeted in 2022.

- Supplies includes routine office, stationary and filing materials. The budget for this line item is \$250, the same amount budgeted in 2022.
- 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 2023 is \$5,625, the same amount budgeted in 2022.
- 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 \$4,640.
- The 2023 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 2022.
- The cost of the debrucing ballot initiative conducted in November of 2022 is estimated to be \$12,700, \$7,700 more than the 2022 budget of \$5,000. The 2023 budget of \$5,000 is for legal and administrative costs associated with the regular bi-annual director election.
- The 2023 budget reserves \$47,630 for unbudgeted contingencies that may arise during the year. This amount is \$6,100 more than budgeted in 2022. In addition, \$24,060 is budgeted as an emergency reserve as required by the TABOR Amendment.

CAPITAL EXPENDITURES

- Capital expenses for 2023 are budgeted at \$340,000.
- One capital sewer project is budgeted for 2023 which is carried over from 2022. It consists of relocating and installing 336 feet of 21-inch PVC sanitary sewer pipe in W. Oxford Ave. at a cost of \$340,000. Due to significant construction cost increases during 2022 combined with the failure of the debrucing ballot initiative, the District was forced to delay the construction of the project until 2023. The estimated amount for 2022 of \$55,935 includes the installation of a shed and safety gate at the lift station as well as engineering and Platte Canyon staff costs related to the sewer project.

PROPERTY TAXES

- The general operations mill levy for Valley Sanitation District in 2023 (tax year 2022) is proposed to remain the same as the levy certified in tax years 2006 through 2022, 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 .751 mills will be imposed in 2023. The mill levy to be certified to Denver and Arapahoe Counties will be 1.742 mills, 0.094 mills higher than the mill levy certified in 2022.

- 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 1.123 will be certified to Denver and Arapahoe Counties in anticipation of the debt service payment due in the amount of \$121,361.
- Assessed values decreased this year to \$108,093,679 from \$109,495,591 assessed in 2021. Eighty-one percent of the District assessed value is located in Arapahoe County and nineteen percent in Denver County.
- Total property tax revenue for operations proposed for 2023 is \$188,299; \$10,369 more than the budgeted amount of \$177,930 in 2022.

LEASE - PURCHASE AGREEMENTS

- As required by *C.R.S. 29-1-103(3)(d)*, the 2022 budget includes a schedule for lease purchase agreements. Valley does not have any lease-purchase agreements requiring expenditure of funds in 2023.

TEN YEAR FINANCIAL PLAN

- The Ten-Year Financial Plan projects a reserve fund balance of \$802,055 at year end 2022. The fund balance is projected to decrease (including contingency and TABOR emergency reserve expenditures) to \$567,625 in 2023. Over the ten-year planning period the reserve fund balance is projected to decrease to a deficit of \$283,158. This decrease is due to significant capital outlay scheduled to begin in 2027. 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.
- General property taxes will produce 29.8 percent of total District revenues between 2023 and 2032 with a total of \$2,158,642.
- Debt service payments on the loan began in 2020 and extend to 2049 at which time the debt is retired.
- The average yield on District investments is assumed to be 2.0 percent in 2023 and increases 0.5 percent every year until it reaches 3.0 percent.
- Service fees are imposed based on a percentage of each customer's sewer billing for City

of Englewood sewer treatment services. For planning purposes, the percentage will increase from 15 percent in 2022 to 30% for the years 2023 through 2025, 35% for the years 2026 through 2028, 40% for the years 2029 through 2031, and be increased to 45 percent for the year 2032. In addition, the City is projecting 4.5% increases in rates for the planning period which will result in a corresponding increase in revenue for the District. These aggressive increases in the service fee are necessary to mitigate the impact of the significant capital outlay that is required over the planning period. Revenue from the Enterprise is expected to produce \$2,955,755, approximately 40.8 percent of all District revenue over the ten-year planning period.

- Operating expenses are projected to increase 2.5 percent in 2024 and increase by one-half a percent per year to a maximum of 3.0 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 2027. 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 \$3,000,000. Further investigation of the pipe condition is needed to prioritize rehabilitation, but an additional revenue source will be likely be required to fund the capital outlay.

RESOLUTION 2022-12-1

A RESOLUTION TO ADOPT A BUDGET FOR VALLEY SANITATION DISTRICT, ARAPAHOE AND DENVER COUNTIES, COLORADO FOR THE CALENDAR YEAR BEGINNING ON JANUARY 1, 2023 AND ENDING ON DECEMBER 31, 2023

WHEREAS, the Board of Directors of VALLEY SANITATION DISTRICT appointed Cynthia Lane 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, 2023, and ending December 31, 2023, was presented to the Board of Directors on or before October 15, 2022, 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 District's office located 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, the proposed budget has been prepared to comply with all terms, limitations and exemptions, including but limited to reserve, transfer and expenditure exemptions under Article X, Section 20 of the Colorado Constitution and other laws which are applicable to or binding upon the District; and

WHEREAS, said budget lists all proposed expenditures for administration, operations, maintenance, and capital projects, and all anticipated revenues, estimated and 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, 2023, and ending December 31, 2023.

Section 1. That the proposed 2023 budget, as submitted and amended, and attached hereto is hereby approved and adopted as the budget for the VALLEY SANITATION DISTRICT for the calendar year beginning on the first day of January 2023 and ending on the last day of December 2023.

Section 2. That the budget as hereby approved and adopted, shall be certified by the Manager, the Chair, Secretary or other officer of the District, to all appropriate agencies and is made a part of the public records of the District.

ADOPTED THIS 14th DAY OF DECEMBER 2022.

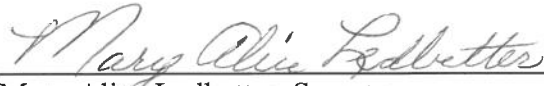
VALLEY SANITATION DISTRICT



~~Phyllis Gooden, President~~

CHRISTOPHER DYE, Director

ATTEST:



Mary Alice Ledbetter, Secretary

RESOLUTION 2022-12-2

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 2023 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 2023 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 as follows:

Section 1. That the sum of EIGHT HUNDRED FIFTY THOUSAND FIVE HUNDRED EIGHTY-SIX AND NO/100 DOLLARS (\$850,586) is hereby appropriated for expenditure during calendar year 2023.

ADOPTED THIS 14th DAY OF DECEMBER 2022.

VALLEY SANITATION DISTRICT



Phyllis Gooden, President

VINCENT LEONE, Director

ATTEST:



Mary Alice Ledbetter, Secretary

RESOLUTION 2022-12-3

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR TAX YEAR 2022 TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE VALLEY SANITATION DISTRICT FOR THE 2023 BUDGET YEAR

WHEREAS, the Board of Directors of Valley Sanitation District has approved and adopted the annual budget for 2023 in accordance with the Colorado Local Government Budget Law, and;

WHEREAS, the approved budget for 2023 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 EIGHTY EIGHT THOUSAND TWO HUNDRED NINETY-NINE AND NO/100 DOLLARS (\$188,299), 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 2022 valuation for assessment for the Valley Sanitation District as certified by the County Assessors of Arapahoe and Denver Counties is \$108,093,649,

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VALLEY SANITATION DISTRICT, ARAPAHOE AND DENVER COUNTIES, COLORADO that:

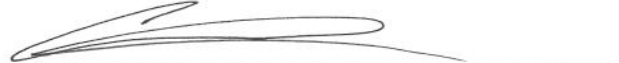
Section 1. For the purpose of meeting all expenses of the Valley Sanitation District during the 2023 budget year there is hereby levied a tax of 2.865 mills upon each dollar of total valuation for assessment for tax year 2022, said 2.865 mill levy being certified for assessment as follows:

General Operating Expenses	2.493 mills
Temporary Mill Levy Reduction	(0.751) mills
Abatements	.000 mills
General Obligation Debt Expenses	1.123 mills
Total Mill Levy Certified for Assessment Upon All Taxable Property Within Valley Sanitation District	2.865 mills

Section 2. A management representative from Platte Canyon Water and Sanitation District or the District's President, Secretary/Treasurer is hereby authorized and directed to certify to the Board of County Commissioners of Denver and Arapahoe Counties, State of Colorado ("Board of County Commissioners"), the mill levies for the District as hereinabove determined and set, but as recalculated as necessary based upon the final (December) certification of assessed valuation for Denver and Arapahoe Counties in order to comply with any applicable revenue and other budgetary limits.

ADOPTED THIS 14th DAY OF DECEMBER 2022

VALLEY SANITATION DISTRICT



~~Phyllis Gooden, President~~

CHRISTOPHER DYE, Director

ATTEST:



Mary Alice Ledbetter, Secretary

VALLEY SANITATION DISTRICT

2023 BUDGET

	ACTUAL 2020	ACTUAL 2021	BUDGET 2022	ESTIMATED 2022	PROPOSED BUDGET 2023	DIFFERENCE FROM 2022 BUDGET
Beginning Balance January 1	\$ 3,059,385	\$ 668,213	\$ 754,077	\$ 753,884	\$ 802,055	
REVENUE						
Property Taxes - Operations	167,469	171,399	177,930	180,450	188,299	10,369
Property Taxes - Debt Service	69,996	121,031	111,506	111,510	121,361	9,855
Specific Ownership Taxes	16,056	19,839	21,897	15,900	15,739	(6,158)
Interest Earned	6,040	957	380	10,920	16,040	15,660
Service Fee (Enterprise)	77,344	73,316	106,465	105,000	210,000	103,535
System Development Fee (Tap Fees)	-	-	-	-	-	-
IGA Cost Sharing - Capital	35,560	34,230	35,034	35,034	35,034	-
IGA Cost Sharing - Maintenance	-	11,951	9,110	12,750	26,575	17,465
Other	7,266	3,108	3,108	3,340	3,108	-
Total Revenue	379,731	435,831	465,430	474,904	616,156	150,726
OPERATING EXPENDITURES						
<u>MAINTENANCE</u>						
Maintenance & Repairs	87,796	106,350	125,905	130,440	158,180	32,275
Repairs Remedial/Emergency	10,115	4,195	20,000	9,915	20,000	-
Engineering - GIS	-	-	-	136	-	-
Engineering	-	3,151	10,000	-	10,000	-
Maintenance - Kent	-	1,000	1,000	1,000	1,000	-
Lift Station Maintenance	132	9,916	7,175	4,205	5,800	(1,375)
Lift Station Utilities	3,716	15,193	15,080	14,205	15,875	795
<u>ADMINISTRATION</u>						
Administrative Expenses	39,409	41,325	45,000	31,500	45,000	-
Advertising & Publication	43	154	165	120	165	-
Legal	1,682	2,242	10,000	5,220	10,000	-
Audit	4,800	4,800	5,000	5,000	5,000	-
Meeting Hall Rent	150	-	-	-	-	-
Insurance	6,635	8,168	6,800	13,100	15,500	8,700
UNCC	1,751	1,654	3,500	2,140	3,500	-
Supplies	114	-	250	116	250	-
Director's Fees & Expenses	5,900	5,900	6,000	5,800	6,000	-
Salaries & Payroll Taxes	8,202	7,126	5,625	5,610	5,625	-
Treasurers Tax Collection Fee	3,330	4,102	4,340	4,125	4,640	300
Public Relations	61	1,494	5,000	3,335	5,000	-
Election Expense	450	-	5,000	12,700	5,000	-
Other	479	545	1,000	770	1,000	-
Sub-Total Operating Expenses	174,765	217,315	276,840	249,437	317,535	40,695
DEBT SERVICE						
Debt - Issuance costs	-	-	-	-	-	-
Debt - Principal	39,246	68,487	69,863	69,863	71,267	1,404
Debt - Interest	40,314	52,646	51,498	51,498	50,094	(1,404)
Sub-Total Debt Service	79,560	121,133	121,361	121,361	121,361	-
CAPITAL EXPENDITURES						
Capital Outlay	2,516,578	11,712	286,430	55,935	340,000	53,570
Sub-Total Capital Expenditures	2,516,578	11,712	286,430	55,935	340,000	53,570
Contingency	-	-	41,530	-	47,630	6,100
TABOR Emergencies Reserve	-	-	22,620	-	24,060	1,440
Total Expenditures	2,770,903	350,160	748,781	426,733	850,586	101,805
Ending Balance December 31	\$ 668,213	\$ 753,884	\$ 470,726	\$ 802,055	\$ 567,625	

VALLEY SANITATION DISTRICT 2023 BUDGET

PROPERTY TAXES ASSESSED

	Tax Year 2019	Tax Year 2020	Tax Year 2021	Tax Year 2022
Assessed Valuation				
Arapahoe County	\$80,809,755	\$81,353,760	\$88,594,721	\$87,698,869
Denver County	\$20,257,090	\$20,226,340	\$20,900,870	\$20,394,810
Total Valuation	\$101,066,845	\$101,580,100	\$109,495,591	\$108,093,679
Mill Levy - Operations	2.493	2.493	2.493	2.493
Temporary Mill levy Reduction	(0.824)	(0.807)	(0.868)	(0.751)
Abatements	0.002	0.007	0.023	0.000
Net Mill Levy - Operations	<u>1.671</u>	<u>1.693</u>	<u>1.648</u>	<u>1.742</u>
Mill Levy - Debt Service	0.699	1.195	1.108	1.123
Reduction for premature collections in 2019			(0.090)	0.000
Mill Levy - Debt Service 2022 collection			<u>1.018</u>	<u>1.123</u>
Property Tax Revenue - General	\$168,681	\$171,264	\$177,930	\$188,299
Abatements	\$193	\$683	\$2,524	\$0
Property Tax Revenue - Debt Service	\$70,646	\$121,388	\$111,506	\$121,361
Property Tax Revenue	\$239,519	\$293,335	\$291,961	\$309,660
Arapahoe County - General	\$134,871	\$137,162	\$143,966	\$152,771
Arapahoe County - Abatements	\$154	\$209	\$2,045	\$0
Arapahoe County - Debt service	\$56,486	\$97,218	\$90,222	\$98,463
Denver County - General	\$33,809	\$34,102	\$33,964	\$35,528
Denver County - Abatements	\$39	\$474	\$483	\$0
Denver County - Debt Service	\$14,160	\$24,170	\$21,285	\$22,898
	<u>\$239,519</u>	<u>\$293,335</u>	<u>\$291,965</u>	<u>\$309,660</u>

**VALLEY SANITATION DISTRICT
2023 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
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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
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VALLEY SANITATION DISTRICT Ten Year Financial Plan (2023-2032)

Summary

	15.0%	30.0%	4.5%	4.5%	35.0%	4.5%	4.5%	40.0%	4.5%	4.5%	45.0%	
ACTUAL	ESTIMATED	BUDGETED										
2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
BEGINNING FUNDS AVAILABLE	\$668,213	\$753,884	\$802,055	\$567,625	\$824,094	\$995,407	\$1,213,515	\$844,407	\$486,560	\$154,982	-\$169,727	-\$492,719
REVENUES												
Property taxes General Revenue (Exhibit 1)	171,399	180,450	188,299	193,948	199,767	205,760	211,933	218,291	224,839	231,585	238,532	245,688
Property taxes Debt Service (Exhibit 1)	121,031	111,510	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361
Specific ownership taxes	19,839	15,900	15,739	23,648	24,085	24,534	24,997	25,474	25,965	26,471	26,992	27,529
Service Fees (Enterprise) 30% in 2023 (Exhibit 1)	73,316	105,000	210,000	219,450	229,325	267,546	279,586	292,167	333,905	348,931	364,633	410,212
Investment income (@ 2.0% in 2023 +.5%/yr max 3%)	957	10,920	16,040	3,197	8,241	14,931	24,270	21,110	14,597	4,649	0	0
Other	15,059	16,090	29,683	29,683	29,683	29,683	29,683	29,683	29,683	29,683	29,683	29,683
System Development Fees	0	0	0	0	0	0	0	0	0	0	0	0
IGA Cost Sharing	34,230	35,034	35,034	35,034	14,900	14,900	14,900	14,900	14,900	14,900	14,900	14,900
Contingency Addback				71,690								
Bond proceeds	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	435,831	474,904	616,156	698,011	627,362	678,715	706,730	722,986	765,250	777,580	796,101	849,373
EXPENSES												
Operations (2024 @2.5%+.5%/yr max 3.0%)												
Sewer Operations	106,350	130,440	158,180	162,135	166,999	172,008	177,169	182,484	187,958	193,597	199,405	205,387
Sewer - Remedial/Emergency	4,195	9,915	20,000	20,500	21,115	21,748	22,401	23,073	23,765	24,478	25,212	25,969
Sewer - Engineering/GIS Engineering	3,151	136	10,000	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668
Lift Station maintenance	9,916	4,205	5,800	5,945	6,123	6,307	6,496	6,691	6,892	7,099	7,312	7,531
Lift Station Utilities	15,193	14,205	15,875	16,272	16,760	17,263	17,781	18,314	18,864	19,429	20,012	20,613
Kent operation and maintenance	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Administrative	41,325	31,500	45,000	46,125	47,509	48,934	50,402	51,914	53,472	55,076	56,728	58,430
Legal	2,242	5,220	10,000	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201
Audit	4,800	5,000	5,000	5,125	5,279	5,437	5,600	5,768	5,941	6,120	6,303	6,492
Insurance	8,168	13,100	15,500	15,888	16,364	16,855	17,361	17,882	18,418	18,971	19,540	20,126
UNCC	1,654	2,140	3,500	3,588	3,695	3,806	3,920	4,038	4,159	4,284	4,412	4,545
Supplies	0	116	250	256	264	272	280	288	297	306	315	325
Director Fees	5,900	5,800	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Payroll	7,126	5,610	5,625	5,766	5,939	6,117	6,300	6,489	6,684	6,884	7,091	7,304
County Treasurer Fees	4,102	4,125	4,640	3,264	3,358	3,454	3,554	3,656	3,762	3,871	3,983	4,098
Public Relations	1,494	3,335	5,000	5,125	5,279	5,437	5,600	5,768	5,941	6,120	6,303	6,492
Election	0	12,700	5,000	0	5,115	0	5,268	0	5,427	0	5,589	0
Other	699	890	1,165	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513
Total Operating Expenses	217,315	249,437	317,535	320,181	334,688	339,246	354,477	359,471	375,468	380,928	397,731	403,692
Long Term Capital Outlay Expenditures (Exhibit 2)												
Sewer	11,712	55,935	340,000	0	0	0	600,000	600,000	600,000	600,000	600,000	114,759
Total Long Term Capital Expenses	11,712	55,935	340,000	0	0	0	600,000	600,000	600,000	600,000	600,000	114,759
Debt Service (Exhibit 1)												
Prinical payments	68,487	69,863	71,267	72,700	74,161	75,652	77,172	78,723	80,306	81,920	83,567	85,246
Interest payments	52,646	51,498	50,094	48,661	47,200	45,709	44,189	42,637	41,055	39,441	37,794	36,115
Total Debt Service Expenses	121,133	121,361	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	71,690	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	350,160	426,733	850,586	441,542	456,049	460,607	1,075,838	1,080,832	1,096,829	1,102,289	1,119,092	639,812
Annual Surplus/(Deficit)	85,671	48,171	-234,430	256,469	171,313	218,108	-369,109	-357,846	-331,578	-324,709	-322,991	209,561
ENDING FUNDS AVAILABLE	753,884	802,055	567,625	824,094	995,407	1,213,515	844,407	486,560	154,982	-169,727	-492,719	-283,158

**VALLEY SANITATION DISTRICT
Ten Year Financial Plan (2023-2032)**

EXHIBIT 1 PROPERTY TAX REVENUE

	ACTUAL		ESTIMATED									
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Assessed Valuation												
Taps Sold	0	0	0	0	0	0	0	0	0	0	0	0
Total Taps	2,264	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% - 2024, then 3% every even year)	44,868	48,364	47,745	49,177	49,177	50,652	50,652	52,172	52,172	53,737	53,737	55,349
New Assessed Value	0	0	0	0	0	0	0	0	0	0	0	0
Assessed Value	101,580,100	109,495,591	108,093,649	111,336,458	111,336,458	114,676,552	114,676,552	118,116,849	118,116,849	121,660,354	121,660,354	125,310,165
General Operations												
Assessed Valuation	101,580,100	109,495,591	108,093,649	111,336,458	111,336,458	114,676,552	114,676,552	118,116,849	118,116,849	121,660,354	121,660,354	125,310,165
General Operating Mill Levy+Abatements	2.495	2.493	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)	-0.807	-0.868										
TABOR mill levy reduction (3% of PY revenue)			-0.751	-0.751	-0.699	-0.699	-0.645	-0.645	-0.589	-0.589	-0.532	-0.532
TABOR Restriction Refund (Rev increase limited to 3% of PY)			-81,178	-83,613	-77,795	-80,129	-73,956	-76,175	-69,626	-71,715	-64,767	-66,710
General Operating Property Tax	171,467	177,930	188,299	193,948	199,767	205,760	211,933	218,291	224,839	231,585	238,532	245,688
Debt Service												
Assessed Value	101,580,100	109,495,591	108,093,649	111,336,458	111,336,458	114,676,552	114,676,552	118,116,849	118,116,849	121,660,354	121,660,354	125,310,165
Mill Levy	1.195	1.018	1.123	1.090	1.090	1.058	1.058	1.027	1.027	0.998	0.998	0.968
Property tax	121,388	111,467	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361	121,361
Total Property Tax Revenue	292,855	289,397	309,660	315,309	321,128	327,121	333,294	339,652	346,200	352,945	359,893	367,049
Total Mill Levy	2.883	2.643	3.616	3.583	3.583	3.551	3.551	3.520	3.520	3.491	3.491	3.461
Service Charge per Year (15% of COE bill)	31	47	93	97	101	118	123	129	147	154	161	168
-Englewood Increase serv chg 4.5% in 22 and beyond												
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	106,476	210,000	219,450	229,325	267,546	279,586	292,167	333,905	348,931	364,633	410,212

**VALLEY SANITATION DISTRICT
Ten Year Financial Plan (2023-2032)**

EXHIBIT 2 CAPITAL EXPENDITURES - DISTRICT CAPITAL IMPROVEMENTS

	<u>ACTUAL</u> <u>ESTIMATED</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>	<u>2031</u>	<u>2032</u>
	<u>2021</u>	<u>2022</u>										
SEWER												
Sewer Rehabilitation (CIPP)	11,712	47,000	340,000				600,000	600,000	600,000	600,000	600,000	114,759
Additional Capital Projects		8,935	0									
TOTAL SEWER	11,712	55,935	340,000	0	0	0	600,000	600,000	600,000	600,000	600,000	114,759
CONTINGENCY/EMERGENCY	0	0	71,690									
TOTAL CAPITAL	11,712	55,935	411,690	0	0	0	600,000	600,000	600,000	600,000	600,000	114,759