



**Southwest Metropolitan  
Water and Sanitation District**

**Budget  
2023**

# SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT

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## BUDGET 2023

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# SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT 2023 BUDGET REPORT

## HIGHLIGHTS

- The 2023 Southwest Metropolitan Water and Sanitation District budget projects a deficit of \$1,695,423 between total revenue amounting to \$2,754,340 and total expenses of \$4,460,333.
- The water and sewer service fee is projected to remain \$12.00 per month per ¾” equivalent water tap.
- Revenue provided from the water and sewer service fee is projected to be \$2,224,660, \$362,473 less than 2023 operating expenses of \$2,587,133.
- The net investment income budget for 2023 is \$297,700, based on an average yield of 1.25%. Low market yields are significant as the District relies on investment income to contribute to the offset and funding of general operations.
- Service fees and investment income amounting to \$2,522,360 produce 91.6 percent of total District revenue. Developments within the District are in the planning and construction stages, with 10 ¾” equivalent water and sewer taps being projected to be sold during 2023 totaling \$85,180. Tap fee revenue is variable and cannot be relied upon to provide a continuing, stable source of revenue for future District operations.
- The District receives no property tax revenue and cannot impose a property tax mill levy without the approval of registered electors.

## HIGHLIGHTS

- The total operations and maintenance budget for 2023 is \$1,709,250, \$333,450 more than the amount budgeted in 2022.
- Southwest Metropolitan will continue to receive water and sewer operations and maintenance services from Platte Canyon Water and Sanitation District in accordance with an intergovernmental agreement between the two districts. The amount budgeted in 2023 for these services represents an increase of \$120,365 or 17.2% from the amounts budgeted in 2022 and an increase of \$65,220 or 8.7% from the estimated amounts for 2022.
- The District expects to incur \$248,430 related to emergency repairs in 2022 due to one extraordinary repair amounting to approximately \$97,000.
- The 2023 budget for remedial water contract maintenance amounts to \$400,000, \$74,500 more than the amount budgeted in 2022. Several water system components requiring some levels of maintenance have been identified including the replacement of 65 hydrant nozzle sections estimated at \$195,000.
- The 2023 budget for remedial sewer contract maintenance amounts to \$115,000. Twenty-three manholes require epoxy-coating to eliminate severe root intrusion.
- General office administrative services will also continue to be provided by Platte Canyon. The 2023 budget for these services is \$630,580, \$47,355 or 8.1% more than the amount estimated for 2022.
- The total amount budgeted in 2023 for services provided by Platte Canyon is \$1,455,465, or 14.9 percent more than budgeted in 2022 and 8.9% more than the estimated amount for 2022.

## **HIGHLIGHTS**

- The capital expense budget for 2023, \$1,873,200, is \$419,640 more than the amount budgeted in 2022.
- One water project totaling \$1,375,570 is budgeted for 2023, replacing 2,500 feet of 16-inch cast iron pipe.
- Building improvements include the replacement of garage curtain doors and original windows totaling \$120,000.
- Funds Available is projected to be \$22,110,125 at December 31, 2023.
- Over the ten-year planning period the reserve fund balance is projected to increase \$2,316,788 to \$24,426,913 at year end 2032. It is the policy of the District to annually review and establish an adequate level of cash reserves for operations, capital improvements, debt service, and any other needs prescribed by the Board of Directors to meet expected service levels and provide adequate resources for infrastructure repair and replacement.

## SUMMARY

The 2023 Budget for Southwest Metropolitan Water and Sanitation District has been prepared in accordance with the modified accrual basis of budgetary accounting.

Services to be provided by Southwest Metropolitan in 2023 include operation, maintenance, and repair of 174.6 miles of water distribution mains and 164.0 miles of sanitary sewer collection and interceptor mains and one potable water pumping station. Proposed facility maintenance objectives for 2023 are described in greater detail in a separate document titled *2023 Maintenance Goals*.

Total revenue from all sources is projected to be \$2,754,340 in 2023. Total expenditures are budgeted at 4,460,333, \$832,330 more than budgeted in 2022. General fund expenditures are budgeted at \$2,587,133, \$412,690 (19.0 percent) more than 2022 budgeted expenses. Capital expenses are budgeted at \$1,873,200, \$419,640 more than budgeted in 2022.

The reserve fund balance is projected to decrease \$1,705,993 in 2023 from a beginning balance of \$23,816,118 to \$22,110,125 at year end.

## REVENUE

- Total Revenue in 2023 is projected to be \$2,754,340, 8.5 percent less than 2022 budget revenue of \$3,010,038.
- In 2015 the Board of Directors imposed a service fee to be applied to all District customers. The service fee is to be used for operations, maintenance, and rehabilitation of the of the District facilities. The service fee is \$12.00 per month per ¾” equivalent service connection. The fee is imposed on customers’ Denver Water bills, with the revenue collected by Denver Water and remitted to the District. Service fee revenue budgeted for 2023 is \$2,224,660 based on 15,449¾” equivalent taps.
- Contract service fees consist of a biennial charge to the City of Littleton in the amount of \$7,500 to transport up to 13 cubic feet per second of wastewater flow from the City through Southwest Metropolitan’s A & D line interceptors.
- Water tap fees will remain at current levels; \$7,000 per ¾” equivalent water tap and \$1,518 for a single family residence or equivalent sewer tap. System development fee revenue totaling \$85,180 includes the sale of ten water and sewer taps in the Silver Leaf development during 2023.
- Investment income is projected to be \$297,700, 10.8 percent of total District revenue. Investment income revenue is proposed to be \$102,700 more than estimated 2022 investment income of \$195,000. Recent economic conditions have significantly impacted market yields resulting in the decline in investment revenue. Consequently, the District may no longer rely on investment income to fund or offset operating expenditures. Investment yield is estimated to be 1.25 percent on District invested funds.
- Other income, which includes office lease income, capital reimbursement income, and miscellaneous income, is budgeted at \$131,800, \$57,690 more than the amount budgeted in 2022

Office lease income consists of Platte Canyon Water and Sanitation District’s share of operating, maintenance and repair expenses for the administrative office and garage facility located at 8739 W. Coal Mine Ave. Platte Canyon is contractually obligated to pay 30% of all building costs to Southwest Metropolitan. Costs are billed monthly at a fixed rate and reconciled quarterly based on actual costs incurred. The lease income includes Platte Canyon’s share of projected routine maintenance and repair costs and minor capital improvements. The budget for 2023 is \$61,800, \$27,690 more than the 2022 budget amount. This increase is due to more capital improvement projects planned for the building in 2023 compared to 2022. Plan review and inspection fees are charged by the District to recover costs incurred by District staff as well as a contract engineer to review

developments in planning stages and provide field inspections as they progress through the construction phase. Most of the development fees projected to be incurred during 2023 relate to the Santa Fe Park South, Santa Fe Park Apartments, River Park, and Westend Ridge developments.

Miscellaneous income consists primarily of fire hydrant use fees which are assessed for use of District owned fire hydrants. The fire hydrant use fee of \$100 per month per hydrant is not proposed to change in 2023.

### **OPERATING EXPENSES**

- Total expenses for 2023 are budgeted at \$4,460,333, 23.0 percent more than the 2022 budget of \$3,628,003. The 2023 budgeted amount for administration, operations, and maintenance is \$2,587,133 while capital expenditures are projected to be \$1,873,200.
- Operations and maintenance costs are budgeted at \$1,709,250 which is 24.2 percent (\$333,450) more than the amount budgeted in 2022.

Water operating and maintenance costs consist of water maintenance materials and Southwest Metropolitan's share of labor, equipment, and overhead costs incurred by Platte Canyon. Costs are allocated between the two Districts in accordance with a comprehensive cost accounting model. The 2023 costs are budgeted at \$490,115 which reflects a 22.5% increase over the amount budgeted in 2022 and 4.3% increase over the estimated amount for 2022. There was a significant shift in labor hours devoted to water activities in 2022 compared to 2021. The 2023 budget accounts for more costs being allocated to water activities as well as the overall increase in labor and overhead costs projected by Platte Canyon.

Water contract maintenance for system failures is budgeted at \$150,000, the same amount budgeted in 2022. The estimate of \$260,625 in 2022 is abnormally high due to having to shut down and isolate the Hogback Pump Station for repairs. When reinstating the station, a failure of the pressure transducer resulted in a rapid over pressurization of the distribution system. This failure caused five water main breaks escalating repair costs to approximately \$97,000. Remedial maintenance and repair costs are budgeted at \$400,000, \$74,500 more than budgeted in 2022. Remedial costs planned for 2023 consist of several water system components requiring some level of maintenance including valve repairs and replacements and hydrant nozzle repairs and replacements. The District has identified specific manufactured hydrants in the system that may require nozzle replacement and will implement a program to assess these assets to determine replacement levels over the next few years. A detailed explanation of the maintenance services to be performed in Southwest Metropolitan in 2023 is presented in a separate



report titled *2023 Maintenance Goals*.

Hogback Pump Station general maintenance includes repairs and maintenance of pump station equipment and the building located at 13399 W. Coal Mine Ave. These expenses are budgeted at \$33,000, \$15,600 more than the amount budgeted in 2022, but more consistent with the amount estimated for 2022 of \$32,920. The budget accommodates more instances of snow removal and landscape repairs as experienced during 2022 and includes \$5,500 to paint the piping in the building. Telemetry includes costs associated with monitoring the building security system, the Supervisory Control and Data Acquisition (SCADA) system, and pump station alarm system. Telemetry is budgeted at \$5,000, the same amount budgeted in 2022. Utilities include costs associated with electric, gas, water, and sewer services and are budgeted at \$34,100, \$5,600 more than the amount budgeted in 2022 and \$2,435 more than the amount estimated for 2022. Gas and electricity costs increased in the fourth quarter of 2022 and are projected to continue to increase in 2023.

Sewer operating and maintenance costs consist of sewer maintenance materials and Southwest Metropolitan's share of labor, equipment, and overhead costs incurred by Platte Canyon Water and Sanitation District. Costs are allocated between the two Districts in accordance with a comprehensive cost accounting model. The 2023 costs are budgeted at \$328,750, \$30,250 or 10.1% more than the amount budgeted in 2022. While the allocation of maintenance costs between water and sewer activities during 2022 is projected to be 62/38 the allocation of these costs for 2023 is projected to be 60/40. The 2023 budget also accounts for the overall increase in labor and overhead costs projected by Platte Canyon.

Sewer contract emergency maintenance includes system repairs and cleanup costs associated with sewer backups originating within District owned facilities. The amount budgeted for this line item remains \$20,000, the same amount budgeted in 2022. Remedial maintenance and repair costs are budgeted at \$115,000, \$65,000 more than the amount budgeted in 2022. This expenditure is to eliminate severe root intrusion in twenty-three manholes by applying an epoxy-coating. No remedial sewer repairs were required in 2022. A detailed explanation of the maintenance services to be accomplished in Southwest Metropolitan in 2023 is presented in a separate report titled *2023 Maintenance Goals*.

Sewer flow meter maintenance which includes repairs and maintenance to flow meter equipment situated on eight sanitary interceptors is budgeted at \$13,735, \$8,735 more than the amount budgeted in 2022. In addition to maintenance costs this budget amount includes \$11,235 for annual subscriptions for seven SmartCover Systems installed during 2022. Flow meter telemetry includes costs associated with monitoring the SCADA and alarm systems at each site. Telemetry is budgeted at \$2,700 in 2023, which is equal to the amount budgeted in 2022. Utility expenses are budgeted at \$1,900, \$150 more than the amount budgeted in 2022 to account for projected increases in the cost of electricity.

General engineering services include expenditures for consulting and surveying services that are non-capital project related. The District issues tasks orders for specific engineering projects identified throughout the year. The 2023 budget includes \$15,000 for water related services and \$5,000 for sewer related services.

Engineering for mapping and geographical information related services budget has been reduced from \$10,000 in 2022 to \$5,000 for 2023 as fewer updates and enhancements are required on an annual basis to the District's comprehensive GIS and asset management programs.

Engineering services - backcharge include expenditures for capacity studies, plan review, and inspection services for developer projects. These costs are backcharged to the developers to offset District costs incurred while performing the services. The 2023 budget includes \$60,000 for these services, which is \$46,500 more than the amount budgeted in 2022 and \$5,200 more than the estimated amount for 2022. This increase accommodates the significant new developments that are progressing in the District.

- Administrative expenses for 2023 are budgeted at \$737,708 which reflects a \$71,105 or 10.7 percent increase from the amount budgeted in 2022.

Administration costs consist of Southwest Metropolitan's share of labor, equipment, and overhead costs incurred by Platte Canyon in accordance with an Intergovernmental Agreement between the two Districts. Shared costs are allocated to each District in accordance with a comprehensive cost accounting model. The 2023 costs are budgeted at \$630,580, \$47,325 or 8.1% more than the amount estimated for 2022. The 2023 accounts for the overall increase in administrative labor and overhead costs projected by Platte Canyon

Office supplies include filing, printing and stationary type items. The amount budgeted for 2023 remains \$2,000.

Southwest Metropolitan is a member of selected trade and research related associations and organizations including the Colorado Special District Association. The 2023 budget for membership dues is \$2,225, \$225 more than the amount budgeted in 2022.

The 2023 budget includes \$2,000 for legal and administrative costs associated with the regular bi-annual director election. Beginning in 2023, the regular bi-annual elections will change from even years to odd years.

The 2023 budget includes \$34,000 for newsletters and web site maintenance which is \$5,800 more than the 2022 budgeted

amount. The costs for the newsletters, \$33,300, includes projected increases in printing, postage, and mailing quarterly newsletters or postcards. Significant customer outreach is accomplished on the website and through social media platforms. The 2023 budget includes \$500 for the maintenance of the District website.

Legal notices, budgeted at \$200 in 2023, include annual special district compliance notices such as the budget notice, election notice and advertisements for construction project bids.

Audit expenditures are budgeted at \$6,000, the same amount budgeted in 2022.

General legal services are budgeted at \$37,500, \$2,500 more than the amount budgeted in 2022.

Legal services-backcharge include expenditures for easement preparation services for developer projects. These expenses are backcharged to the developer. The 2023 budget includes \$5,000 for these services, the same amount budgeted in 2022.

The Rates and Fees Technical Advisory Committee (TAC) costs are budgeted at \$3,750. Members determined a dues assessment in 2020 and 2021 of \$.30 per customer account was necessary to protect the reserve funds and increase revenue to participate in ongoing discussions with Denver Water. There was no assessment in 2022. The 2023 budget assumes a dues assessment consistent with previous years.

Other general consulting costs are budgeted at \$1,000, the same amount budgeted in 2022.

- Insurance coverage for general liability, property, directors and officers' liability, and basic commercial crime are obtained through the Colorado Special District Property and Liability Pool (CSDA). In addition, supplemental commercial crime coverage is obtained from another source. Other insurance includes the District's workers compensation insurance for the directors which is currently with CSDA. The premiums for these coverages are projected to increase 15%-18%. The total amount budgeted for 2023 is \$20,220, \$2,930 or 16.7% more than the amount budgeted in 2022.
- Building maintenance expenses include costs for landscaping, janitorial, heating and air condition maintenance, elevator maintenance, painting of interior and exterior of building, and other general repairs and maintenance of the office building. The amount budgeted for 2023 is \$68,065, \$4,435 less than the amount budgeted in 2022. The change is due to the overall decrease in non-routine repairs required. In 2022, painting of the office building exterior amounted to \$15,000.

Office utilities are budgeted at \$37,840, \$3,620 more than the amount budgeted in 2022. The change is due to increases in the

cost of security services and gas and electric utilities.

- Directors' fees are budgeted at \$6,000 which assumes 100 percent attendance for all regularly scheduled meetings.
- The District Directors are covered by the Federal Contributions Retirement Act (Social Security) and thus contribute 6.2 percent of wages to FICA. The District is also covered by the Federal Medicare Program and thus contributes 1.45 percent of employee wages to the program. The amount budgeted for these two programs for 2023 is \$480 based on \$6,000 of payroll.

### **CAPITAL EXPENSES**

- Capital expenses for 2023 are budgeted at \$1,873,200, \$419,640 more than the amount budgeted in 2022.

One capital water project is budgeted for 2023. It consists of replacing 2,500 feet of 16-inch cast iron pipe in S. Santa Fe Dr. from S. Wolhurst Dr. to a point south of the culvert crossing at a cost of \$1,375,570. Projected engineering design costs anticipated to be incurred on this 2023 project have been estimated for 2022 expenditure in the amount of \$84,630. A detailed explanation of all these projects is included in the District's *Capital Master Plan for 2023-2032*.

The 2023 budget includes \$25,000 for the annual contract for cured-in-place pipe (CIPP) sewer rehabilitation projects that will be scheduled on an as needed basis determined by the District's television inspection program.

Office Building projects included in the 2023 budget amount to \$120,000 for the replacement of original windows upstairs and four garage curtain doors.

The 2023 capital expense budget includes an emergency reserve in the amount of \$82,630 as required by the TABOR Amendment.

The 2023 capital expense budget includes a 20 percent contingency for water and sewer capital projects in the amount of \$270,000.

## **PROPERTY TAXES**

- Southwest Metropolitan will not certify a mill levy in 2023 for tax year 2022. The property tax schedule is included in the 2023 budget to provide information relative to property valuations within the District. Assessed valuations decreased \$20,960,205 (2.8 percent) in 2022. Eighty-four percent of the total property valuation is located in Jefferson County, thirteen percent in Arapahoe County and three percent in Douglas County.

## **SUMMARY OF EXPENDITURES (EXHIBIT A)**

- Exhibit A provides a summary of District expenditures including non-appropriated depreciation and amortization of District assets. Total expenditures requiring appropriation in 2023 is \$4,449,763.

## **LEASE - PURCHASE AGREEMENTS**

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

## **TEN YEAR FINANCIAL PLAN**

- The Ten-Year Financial Plan identifies a reserve fund balance amounting to \$23,816,118 at year end 2022. The fund balance is projected to decrease \$1,705,993 to \$22,110,125 at year end 2023. Over the ten-year planning period the reserve fund balance is projected to increase \$2,316,788 to \$24,426,913 at year end 2032. It is the policy of the District to annually review and establish an adequate level of cash reserves for operations, capital improvements, debt service, and any other needs prescribed by the Board of Directors to meet expected service levels and provide adequate resources for infrastructure repair and replacement.

Due to the economic downturn experienced the last few years, significant decline in investment income, and required infrastructure rehabilitation projects detailed in the *Capital Master Plan*, the District increased the service fee by \$4.00 in 2022 resulting in an assessment of \$12.00 per month per ¾” equivalent water service. At this time, the assessment is projected to remain constant at \$12.00 to meet operating demands and prepare for significant capital outlay projected over the ten-year

planning period but will be reviewed by the board on an annual basis. Service fee revenue is projected to be the largest source of revenue providing approximately 59.5% of the total revenue over the ten-year planning period.

The average interest rate for District invested funds is assumed to be 1.25 percent in 2023 and increase by 0.5 percent per year to a maximum 3.0 percent. With the decline in projected investment income growth over the ten-year planning period investment income will provide 17.8 percent of the District's total revenue.

The District projects \$85,180 in tap fee revenue in 2023, \$672,922 in 2024, \$2,342,450 in 2025 and 2026, and \$2,027,284 in 2027. While the District is approaching buildout a few areas have been identified for future development, but the timing and the scope beyond 2027 are unknown at this time. Water and sewer tap fees are proposed to remain at current levels through the ten-year planning period: \$7,000 for a 3/4" water tap and \$1,518 for a single-family equivalent sewer tap.

Operating expenses are projected to increase 2.54% each year in 2023 through 2032. Over the ten-year planning period, operating expenses are projected to total \$26,880,236 or 71.0 percent of all District expenditures.

The District has identified specific manufactured hydrants in the system that may require nozzle replacement. The cost for these replacements is estimated to be approximately \$1,795,000 and has been scheduled as water remedial projects and is included in operations and maintenance between 2023 and 2027.

Capital expenses through 2032 are derived from the District's *Capital Master Plan for 2023-2032*. Long-term capital outlay in the ten-year planning period amounts to \$10,717,190. Of this amount \$4,353,397 or 40.6 percent is scheduled to be replaced in 2030.

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**BE IT FURTHER RESOLVED**, that such additional funds for the District's 2022 budget in the amount of \$400,000 are hereby appropriated from unappropriated General Fund revenues of the District to the General Fund for calendar year 2022 for the purposes stated.

**ADOPTED BY THE BOARD OF DIRECTORS OF SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT THIS 18th DAY OF NOVEMBER 2022.**

  
\_\_\_\_\_  
Charles Hause, President

**ATTEST:**

  
\_\_\_\_\_  
Bernie Sebastian, Director



**RESOLUTION 2022-11-2**

**A RESOLUTION TO ADOPT A BUDGET FOR  
SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT, JEFFERSON,  
DOUGLAS, AND ARAPAHOE COUNTIES, COLORADO FOR THE CALENDAR YEAR  
BEGINNING ON  
JANUARY 1, 2023 AND ENDING ON DECEMBER 31, 2023**

**WHEREAS**, the Board of Directors of SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT appointed Cynthia Lane, District Manager, 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 SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT, Jefferson, Douglas and Arapahoe 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 SOUTHWEST METROPOLITAN WATER AND 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 THE SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT**, of the Counties of Jefferson, Douglas, and Arapahoe, Colorado as follows:

**Section 1.** That the estimated expenditures for the general fund for the calendar year beginning on the first day of January 2023 and ending on the last day of December 2023, are as follows:

**General Fund:**

|  |                            |
|--|----------------------------|
| Operation and Maintenance Expenses     | <u>\$ 4,460,333</u>        |
| <b>Total General Fund Expenditures</b> | <b><u>\$ 4,460,333</u></b> |

**Section 2.** That the estimated revenues for each fund for the calendar year beginning on the first day of January 2023 and ending on the last day of December 2023 are as follows:

**General Fund:**

|   |               |
|---|---------------|
| From 2022 year-end fund balance                       | \$ 23,816,118 |
| From sources other than general property tax revenues | \$ 2,754,340  |
| From general property tax revenue                     | <u>\$ 0</u>   |

**Total General Fund Revenue** **\$ 26,570,458**

**Section 3.** That the budget, as submitted, amended and herein summarized by fund, be and the same hereby is approved and adopted as the budget of the Southwest Metropolitan Water and Sanitation District for calendar year 2023.

**Section 4.** That the budget, as hereinabove approved and adopted, shall be a part of the public record of the Southwest Metropolitan Water and Sanitation District, a copy of which is attached hereto as Exhibit A, and shall be certified by the Manager, Chair, Secretary or other officer of the District, to all appropriate agencies.

ADOPTED THIS 18th DAY OF NOVEMBER 2022.

**SOUTHWEST METROPOLITAN WATER AND  
SANITATION DISTRICT**



Charles Hause, President

ATTEST:

  
Bernie Sebastian, Director

**RESOLUTION 2022-11-3**

**A RESOLUTION TO APPROPRIATE SUMS OF MONEY  
IN THE AMOUNTS AND FOR THE PURPOSES  
AS SET FORTH BELOW FOR THE  
SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT  
FOR THE 2023 BUDGET YEAR**

**WHEREAS**, the Board of Directors of Southwest Metropolitan Water and 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, thereby establishing a limitation on expenditures for the operation of the Southwest Metropolitan Water and Sanitation District for calendar year 2023.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT, JEFFERSON, DOUGLAS, AND ARAPAHOE COUNTIES, COLORADO** as follows:

**Section 1.** That the following sum of money is hereby appropriated from the revenues of the General Fund for the purposes set forth below:

**General Fund:**

|                                    |                            |
|------------------------------------|----------------------------|
| Operation and Maintenance Expenses | \$ 4,460,333               |
| <b>Total Sums Appropriated</b>     | <b><u>\$ 4,460,333</u></b> |

**ADOPTED THIS 18th DAY OF NOVEMBER 2022.**

**SOUTHWEST METROPOLITAN WATER  
AND SANITATION DISTRICT**

  
\_\_\_\_\_  
Charles Hause, President

**ATTEST:**

  
Bernie Sebastian, Director

**RESOLUTION 2022-11-4**

**A RESOLUTION  
CERTIFYING A ZERO MILL PROPERTY TAX LEVY  
FOR TAX YEAR 2022 (BUDGET YEAR 2023) FOR THE  
SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT**

**WHEREAS**, the Board of Directors of Southwest Metropolitan Water and 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 provides for sufficient revenue without certification of a property tax mill levy upon taxable property within the Southwest Metropolitan Water and Sanitation District,

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT, JEFFERSON, ARAPAHOE AND DOUGLAS COUNTIES, COLORADO** that for tax year 2022 (budget year 2023) there is hereby certified a zero (0) mill property tax levy upon all property located within Southwest Metropolitan Water and Sanitation District.

**ADOPTED THIS 18th DAY OF NOVEMBER 2022.**

**SOUTHWEST METROPOLITAN WATER  
AND SANITATION DISTRICT**



Charles Hause, President

**ATTEST:**

  
Bernie Sebastian, Director

# SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT

## BUDGET - 2023

### REVENUE

|                                | ACTUAL<br>2020   | ACTUAL<br>2021   | BUDGET<br>2022   | ESTIMATED<br>2022 | BUDGET<br>2023   | CHANGE<br>FROM<br>2022 BUDGET |
|--------------------------------|------------------|------------------|------------------|-------------------|------------------|-------------------------------|
| <b>BEGINNING FUNDS</b>         | \$ 24,851,419    | \$ 24,295,498    | \$ 24,731,691    | \$ 24,456,187     | \$ 23,816,118    |                               |
| <b>ADMINISTRATIVE FEES</b>     |                  |                  |                  |                   |                  |                               |
| Tap Administrative Fees        | 50               | -                | -                | -                 | -                | -                             |
| <b>SUB-TOTAL</b>               | <b>50</b>        | <b>-</b>         | <b>-</b>         | <b>-</b>          | <b>-</b>         | <b>-</b>                      |
| <b>SERVICE FEES</b>            |                  |                  |                  |                   |                  |                               |
| Service Fees                   | 1,458,841        | 1,482,909        | 2,214,860        | 2,212,200         | 2,224,660        | 9,800                         |
| <b>SUB-TOTAL</b>               | <b>1,458,841</b> | <b>1,482,909</b> | <b>2,214,860</b> | <b>2,212,200</b>  | <b>2,224,660</b> | <b>9,800</b>                  |
| <b>CONTRACT SERVICE FEES</b>   |                  |                  |                  |                   |                  |                               |
| City of Littleton              | 15,000           | 15,000           | 15,000           | 15,000            | 15,000           | -                             |
| <b>SUB-TOTAL</b>               | <b>15,000</b>    | <b>15,000</b>    | <b>15,000</b>    | <b>15,000</b>     | <b>15,000</b>    | <b>-</b>                      |
| <b>SYSTEM DEVELOPMENT FEES</b> |                  |                  |                  |                   |                  |                               |
| Water Tap Fees                 | 224,000          | 793,000          | 469,000          | 441,000           | 70,000           | (399,000)                     |
| Sewer Tap Fees                 | 91,947           | 300,933          | 138,138          | 158,112           | 15,180           | (122,958)                     |
| Annexation Fees                | -                | -                | -                | -                 | -                | -                             |
| <b>SUB-TOTAL</b>               | <b>315,947</b>   | <b>1,093,933</b> | <b>607,138</b>   | <b>599,112</b>    | <b>85,180</b>    | <b>(521,958)</b>              |
| <b>INVESTMENT INCOME</b>       |                  |                  |                  |                   |                  |                               |
| Net Investment Income          | 308,259          | (147,741)        | 98,930           | 195,000           | 297,700          | 198,770                       |
| <b>SUB-TOTAL</b>               | <b>308,259</b>   | <b>(147,741)</b> | <b>98,930</b>    | <b>195,000</b>    | <b>297,700</b>   | <b>198,770</b>                |

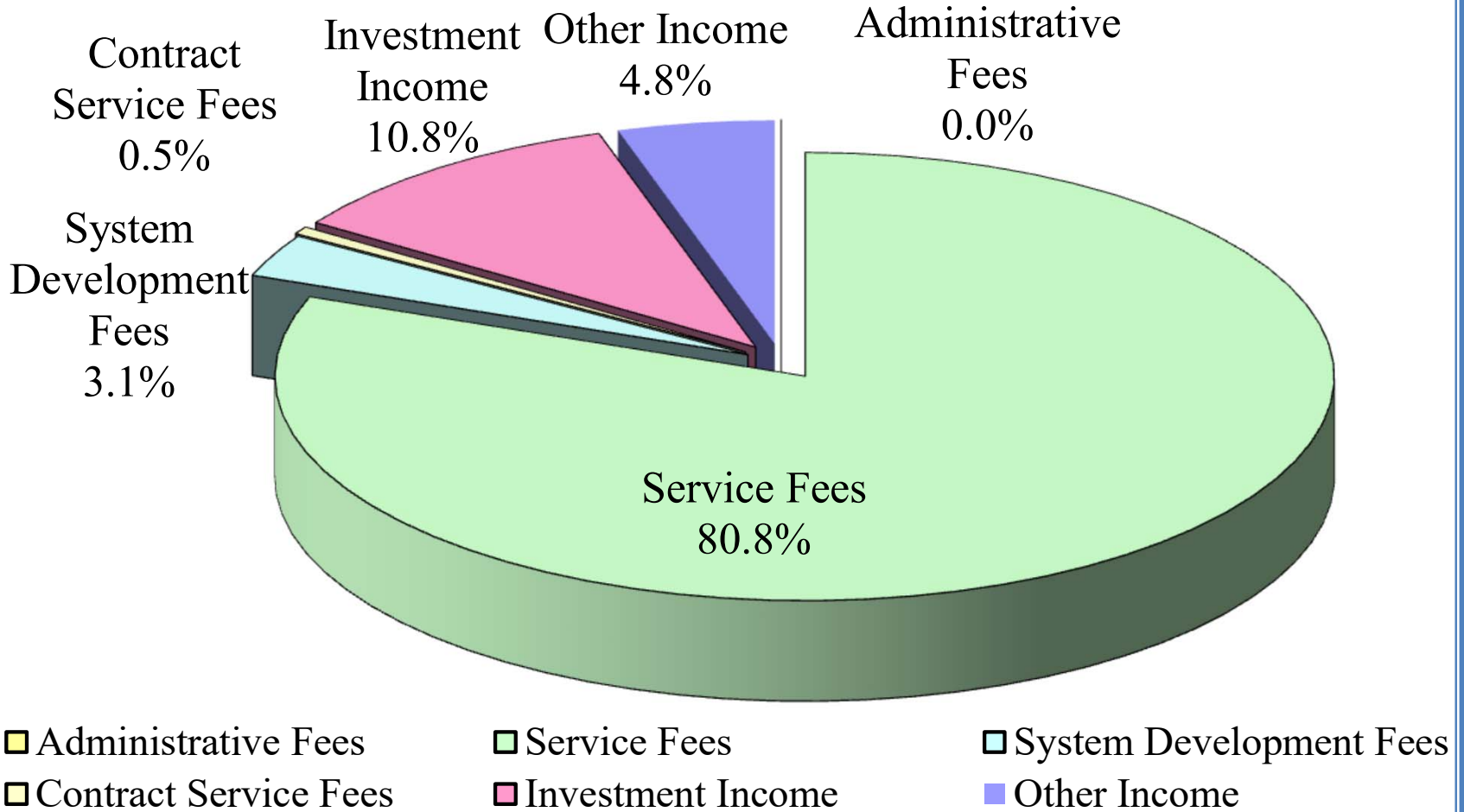
# SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT

## BUDGET - 2023

### REVENUE

|                               | ACTUAL<br>2020      | ACTUAL<br>2021      | BUDGET<br>2022      | ESTIMATED<br>2022   | BUDGET<br>2023      | CHANGE<br>FROM<br>2022 BUDGET |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------------------|
| <b>OTHER INCOME</b>           |                     |                     |                     |                     |                     |                               |
| Office Building Cost Share    | 33,689              | 59,771              | 34,110              | 36,710              | 61,800              | 27,690                        |
| Plan review / Inspection Fees | 31,965              | 36,320              | 30,000              | 77,215              | 60,000              | 30,000                        |
| Miscellaneous                 | 5,024               | 353,316             | 10,000              | 7,100               | 10,000              | -                             |
| <b>SUB-TOTAL</b>              | <b>70,678</b>       | <b>449,407</b>      | <b>74,110</b>       | <b>121,025</b>      | <b>131,800</b>      | <b>57,690</b>                 |
| <b>TOTAL REVENUE</b>          | <b>\$ 2,168,775</b> | <b>\$ 2,893,508</b> | <b>\$ 3,010,038</b> | <b>\$ 3,142,337</b> | <b>\$ 2,754,340</b> | <b>\$ (255,698)</b>           |

# 2023 Revenue



**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**EXPENDITURES**

|                                     | <b>ACTUAL<br/>2020</b> | <b>ACTUAL<br/>2021</b> | <b>BUDGET<br/>2022</b> | <b>ESTIMATED<br/>2022</b> | <b>BUDGET<br/>2023</b> | <b>CHANGE<br/>FROM<br/>2022 BUDGET</b> |
|-------------------------------------|------------------------|------------------------|------------------------|---------------------------|------------------------|--|
| <b>OPERATING EXPENSES</b>           |                        |                        |                        |                           |                        |  |
| <b>OPERATIONS &amp; MAINTENANCE</b> |                        |                        |                        |                           |                        |  |
| Water - Operation & Maintenance     | \$ 407,422             | \$ 399,345             | \$ 400,000             | \$ 469,860                | \$ 490,115             | \$ 90,115                              |
| Water - Contract Maintenance        |                        |                        |                        |                           |                        |  |
| Emergency                           | 135,447                | 389,529                | 150,000                | 248,430                   | 150,000                | -                                      |
| Remedial                            | 225,979                | 158,672                | 325,500                | 258,565                   | 400,000                | 74,500                                 |
| Hogback Pump Station                |                        |                        |                        |                           |                        |  |
| General                             | 9,215                  | 13,433                 | 17,500                 | 32,920                    | 33,100                 | 15,600                                 |
| Telemetry                           | 2,202                  | 2,762                  | 5,000                  | 2,913                     | 5,000                  | -                                      |
| Utilities                           | 24,760                 | 28,241                 | 28,500                 | 31,665                    | 34,100                 | 5,600                                  |
| Water Pressure Monitoring           | 15,970                 | 12,350                 | 15,350                 | 15,700                    | 17,350                 | 2,000                                  |
| Sewer - Operation & Maintenance     | 276,254                | 305,893                | 298,500                | 283,785                   | 328,750                | 30,250                                 |
| Sewer - Contract Maintenance        |                        |                        |                        |                           |                        |  |
| Emergency                           | 271,759                | 6,953                  | 20,000                 | -                         | 20,000                 | -                                      |
| Remedial                            | -                      | 42,680                 | 50,000                 | -                         | 115,000                | 65,000                                 |
| Sewer Flow Meters                   |                        |                        |                        |                           |                        |  |
| General                             | 730                    | 178                    | 5,000                  | 11,735                    | 13,735                 | 8,735                                  |
| Telemetry                           | 5,573                  | 8,615                  | 2,700                  | 8,515                     | 2,700                  | -                                      |
| Utilities                           | 1,624                  | 1,643                  | 1,750                  | 1,760                     | 1,900                  | 150                                    |
| Utility Notification                | 9,750                  | 10,895                 | 12,500                 | 9,750                     | 12,500                 | -                                      |
| Professional & Consulting           |                        |                        |                        |                           |                        |  |
| Engineering - Water                 | 6,488                  | 84,972                 | 15,000                 | 8,985                     | 15,000                 | -                                      |
| Engineering - Sewer                 | 868                    | -                      | 5,000                  | -                         | 5,000                  | -                                      |
| Engineering - GIS                   | 8,627                  | -                      | 10,000                 | 2,925                     | 5,000                  | (5,000)                                |
| Engineering - Backcharge            | 708                    | 4,875                  | 13,500                 | 54,800                    | 60,000                 | 46,500                                 |
| <b>SUB-TOTAL</b>                    | <b>1,403,376</b>       | <b>1,471,036</b>       | <b>1,375,800</b>       | <b>1,442,308</b>          | <b>1,709,250</b>       | <b>333,450</b>                         |



# SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT

## BUDGET - 2023

### EXPENDITURES

|   | ACTUAL<br>2020 | ACTUAL<br>2021 | BUDGET<br>2022 | ESTIMATED<br>2022 | BUDGET<br>2023 | CHANGE<br>FROM<br>2022 BUDGET |
|---|----------------|----------------|----------------|-------------------|----------------|-------------------------------|
| <b>OPERATING EXPENSES (cont.)</b>       |                |                |                |                   |                |                               |
| <b>ADMINISTRATION</b>                   |                |                |                |                   |                |                               |
| General Office Administration           |                |                |                |                   |                |                               |
| Administration                          | 575,746        | 647,904        | 568,000        | 583,255           | 636,600        | 68,600                        |
| Office Supplies & Expense               | 1,154          | 1,969          | 2,000          | 575               | 2,000          | -                             |
| Dues                                    | 1,238          | 1,738          | 2,000          | 1,990             | 2,225          | 225                           |
| Election                                | 45             | -              | 2,000          | 2,000             | 2,000          | -                             |
| DWD collection fee                      | 13,653         | 13,653         | 13,653         | 13,653            | 13,653         | -                             |
| Public Relations                        |                |                |                |                   |                |                               |
| Newsletters                             | 26,226         | 27,005         | 27,500         | 29,950            | 33,300         | 5,800                         |
| Website / Other                         | -              | 150            | 500            | 653               | 500            | -                             |
| Legal Notices                           | 59             | 71             | 200            | 105               | 200            | -                             |
| Professional & Consulting               |                |                |                |                   |                |                               |
| Audit                                   | 5,700          | 5,700          | 6,000          | 6,000             | 6,000          | -                             |
| Legal - General                         | 28,778         | 38,774         | 35,000         | 35,680            | 37,500         | 2,500                         |
| Legal - Backcharge                      | 4,604          | 2,580          | 5,000          | 3,985             | 5,000          | -                             |
| Technical Advisory Committee (TAC)      | 3,750          | 3,750          | 3,750          | -                 | 3,750          | -                             |
| Other                                   | -              | -              | 1,000          | -                 | 1,000          | -                             |
| <b>SUB-TOTAL</b>                        | <b>660,953</b> | <b>743,294</b> | <b>666,603</b> | <b>677,846</b>    | <b>743,728</b> | <b>77,125</b>                 |
| <b>INSURANCE</b>                        |                |                |                |                   |                |                               |
| Property/Inland Marine                  | 5,011          | 5,913          | 6,690          | 6,712             | 7,905          | 1,215                         |
| General Liability                       | 4,650          | 4,707          | 5,250          | 5,391             | 6,365          | 1,115                         |
| Directors & Officers / Commercial Crime | 4,725          | 4,827          | 5,100          | 5,280             | 5,700          | 600                           |
| Bonds & Other                           | 200            | 200            | 250            | 197               | 250            | -                             |
| <b>SUB-TOTAL</b>                        | <b>14,586</b>  | <b>15,647</b>  | <b>17,290</b>  | <b>17,580</b>     | <b>20,220</b>  | <b>2,930</b>                  |

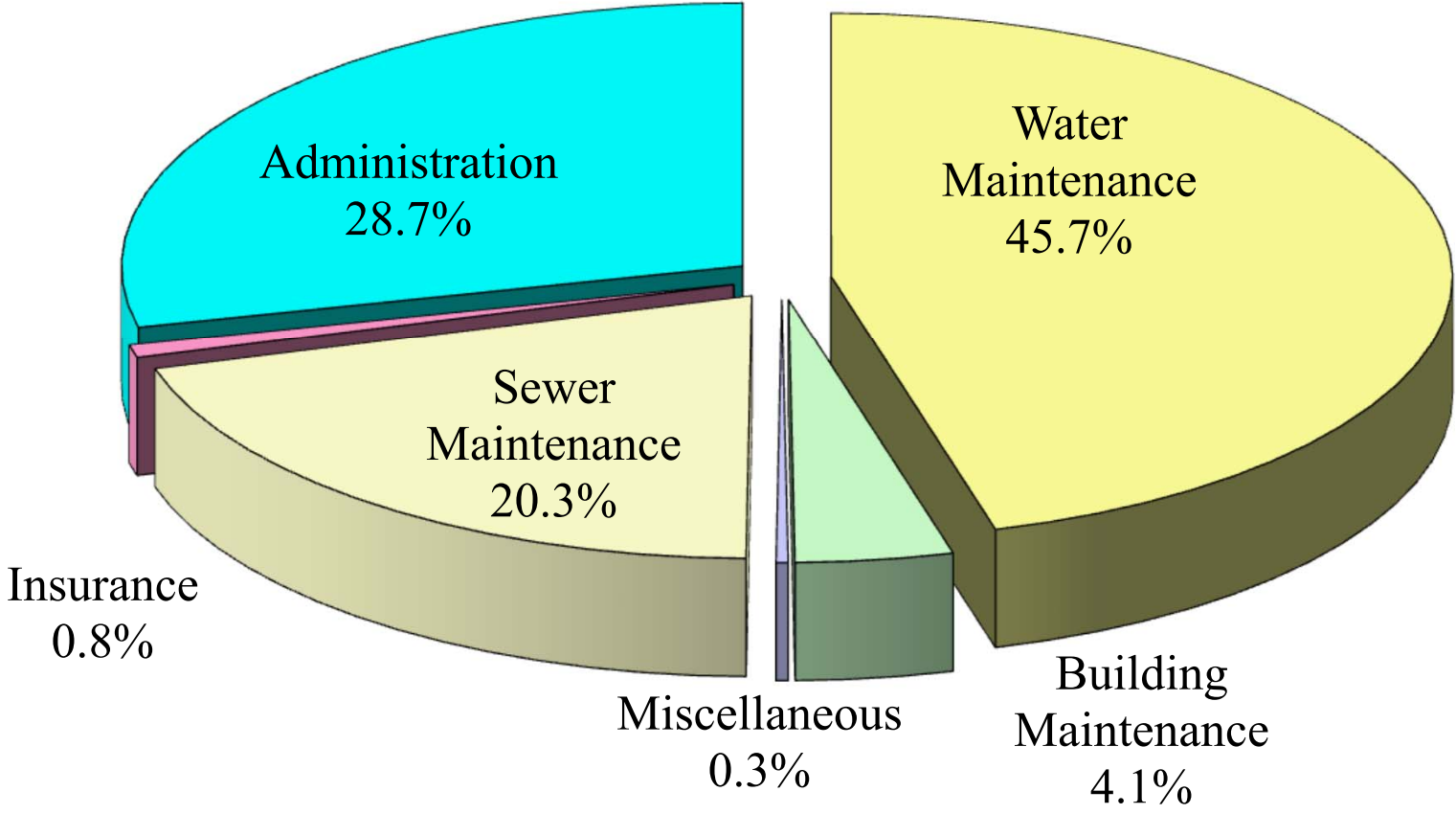
**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**EXPENDITURES**

|                                     | <b>ACTUAL<br/>2020</b> | <b>ACTUAL<br/>2021</b> | <b>BUDGET<br/>2022</b> | <b>ESTIMATED<br/>2022</b> | <b>BUDGET<br/>2023</b> | <b>CHANGE<br/>FROM<br/>2022 BUDGET</b> |
|-------------------------------------|------------------------|------------------------|------------------------|---------------------------|------------------------|--|
| <b>OPERATING EXPENSES (cont.)</b>   |                        |                        |                        |                           |                        |  |
| <b>BUILDING MAINTENANCE</b>         |                        |                        |                        |                           |                        |  |
| Maintenance                         | 60,525                 | 53,841                 | 72,500                 | 80,450                    | 68,065                 | (4,435)                                |
| Utilities                           |                        |                        |                        |                           |                        |  |
| Internet/Security                   | 16,270                 | 15,340                 | 14,500                 | 16,280                    | 16,945                 | 2,445                                  |
| Gas & Electric                      | 11,820                 | 12,770                 | 16,000                 | 15,905                    | 17,175                 | 1,175                                  |
| Water & Sewer                       | 3,509                  | 3,440                  | 3,720                  | 3,585                     | 3,720                  | -                                      |
| <b>SUB-TOTAL</b>                    | <b>92,124</b>          | <b>85,391</b>          | <b>106,720</b>         | <b>116,220</b>            | <b>105,905</b>         | <b>(815)</b>                           |
| <b>MISCELLANEOUS</b>                |                        |                        |                        |                           |                        |  |
| Directors Fees                      | 5,500                  | 6,000                  | 6,000                  | 5,200                     | 6,000                  | -                                      |
| Social Security                     | 421                    | 459                    | 480                    | 400                       | 480                    | -                                      |
| Other                               | 1,099                  | 1,390                  | 1,550                  | 1,225                     | 1,550                  | -                                      |
| <b>SUB-TOTAL</b>                    | <b>7,020</b>           | <b>7,849</b>           | <b>8,030</b>           | <b>6,825</b>              | <b>8,030</b>           | <b>-</b>                               |
| <b>SUB-TOTAL OPERATING EXPENSES</b> | <b>2,178,059</b>       | <b>2,323,217</b>       | <b>2,174,443</b>       | <b>2,260,779</b>          | <b>2,587,133</b>       | <b>412,690</b>                         |

# 2023 Operating Expenses



- Water Maintenance
- Sewer Maintenance
- Building Maintenance
- Insurance
- Miscellaneous
- Administration

**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**EXPENDITURES**

|   | <b>ACTUAL<br/>2020</b> | <b>ACTUAL<br/>2021</b> | <b>BUDGET<br/>2022</b> | <b>ESTIMATED<br/>2022</b> | <b>BUDGET<br/>2023</b> | <b>CHANGE<br/>FROM<br/>2022 BUDGET</b> |
|---|------------------------|------------------------|------------------------|---------------------------|------------------------|--|
| <b>CAPITAL EXPENSES</b>                   |                        |                        |                        |                           |                        |  |
| <b>WATER PROJECTS</b>                     |                        |                        |                        |                           |                        |  |
| <b>Replacements &amp; Rehabilitation</b>  |                        |                        |                        |                           |                        |  |
| Flower Replacement (CIP-20-1W)            | 110,570                | -                      | -                      | -                         | -                      |  |
| Walden Replacement (CIP-20-2W)            | 156,712                | -                      | -                      | -                         | -                      |  |
| Polo Ridge Replacement (CIP-20-3W)        | 191,881                | -                      | -                      | -                         | -                      |  |
| S. Holland Way Replacement (CIP-21-1W)    | 22,346                 | 205,883                | -                      | -                         | -                      |  |
| S. Kipling St. Replacement (CIP-22-1W)    | -                      | 37,882                 | 925,201                | 1,228,138                 | -                      |  |
| Santa Fe Drive (CIP-23-1W)                | -                      | -                      | -                      | 84,630                    | 1,375,570              |  |
| <b>SUB-TOTAL</b>                          | <b>481,509</b>         | <b>243,765</b>         | <b>925,201</b>         | <b>1,312,768</b>          | <b>1,375,570</b>       | <b>450,369</b>                         |
| <b>SEWER PROJECTS</b>                     |                        |                        |                        |                           |                        |  |
| <b>Replacement &amp; Rehabilitation</b>   |                        |                        |                        |                           |                        |  |
| Dutch Creek Interceptor Rehab (CIP-21-1S) | -                      | 54,497                 | -                      | -                         | -                      |  |
| S. Everett Way. (CIP-22-1S)               | -                      | -                      | 146,735                | 159,634                   | -                      |  |
| Sewer Rehabilitation (CIPP)               | -                      | -                      | 25,000                 | -                         | 25,000                 |  |
| <b>New Facilities</b>                     | -                      | -                      | -                      | -                         | -                      |  |
| <b>SUB-TOTAL</b>                          | -                      | <b>54,497</b>          | <b>171,735</b>         | <b>159,634</b>            | <b>25,000</b>          | <b>(146,735)</b>                       |

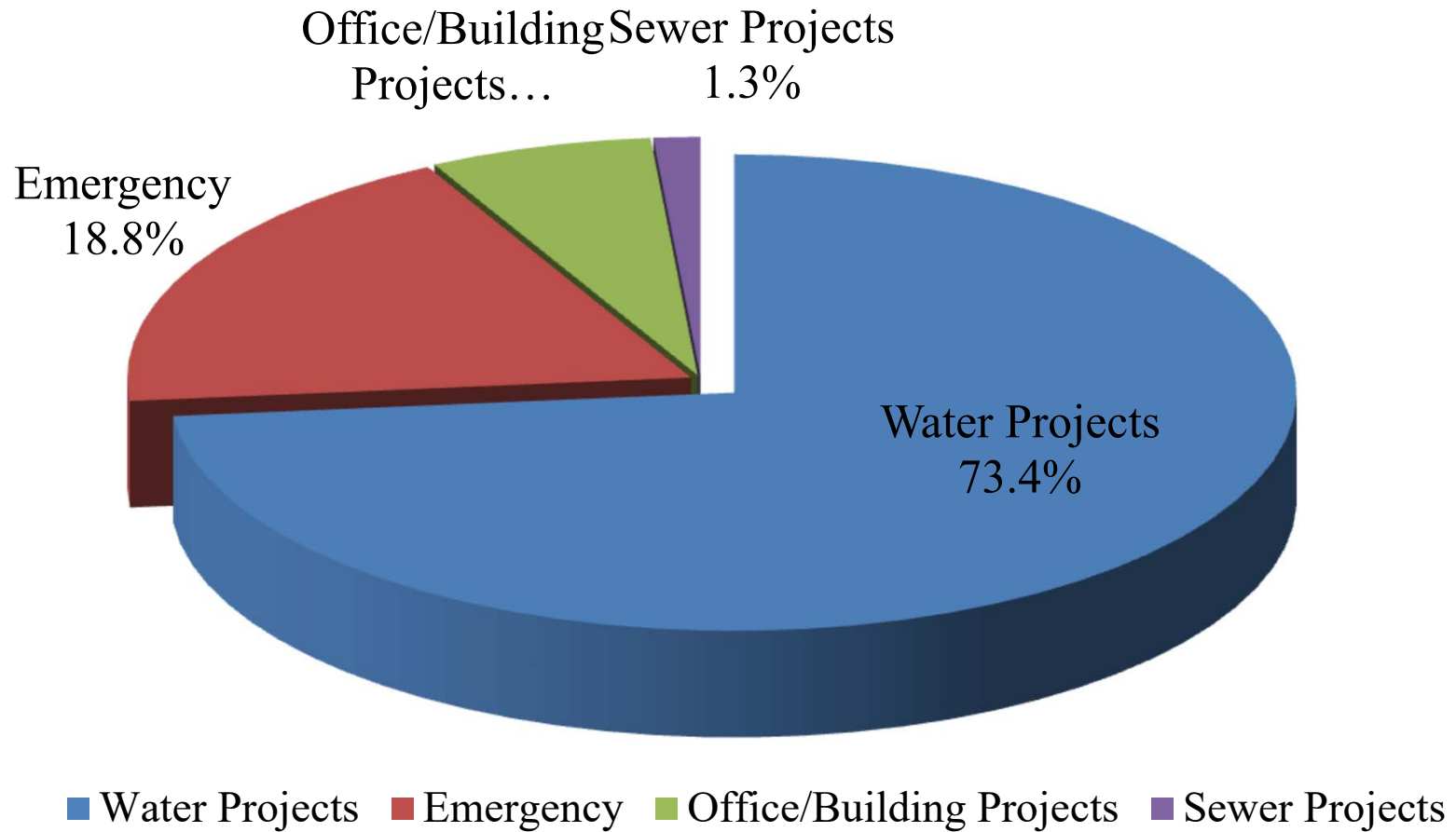
**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**EXPENDITURES**

|  | <b>ACTUAL<br/>2020</b> | <b>ACTUAL<br/>2021</b> | <b>BUDGET<br/>2022</b> | <b>ESTIMATED<br/>2022</b> | <b>BUDGET<br/>2023</b> | <b>CHANGE<br/>FROM<br/>2022 BUDGET</b> |
|--|------------------------|------------------------|------------------------|---------------------------|------------------------|--|
| <b>CAPITAL EXPENSES (cont)</b>         |                        |                        |                        |                           |                        |  |
| <b>EQUIPMENT</b>                       |                        |                        |                        |                           |                        |  |
| SmartCover Systems                     | -                      | -                      | 44,000                 | 32,100                    | -                      |  |
| Hydrant Pressure Monitors              | 35,880                 | -                      | -                      | -                         | -                      |  |
| PRV Pressure Monitors                  | 11,099                 | -                      | -                      | -                         | -                      |  |
| <b>SUB-TOTAL</b>                       | <b>46,979</b>          | <b>-</b>               | <b>44,000</b>          | <b>32,100</b>             | <b>-</b>               | <b>(44,000)</b>                        |
| <b>OFFICE/BUILDING PROJECTS</b>        |                        |                        |                        |                           |                        |  |
| Office/Maintenance Office Improvements | 18,149                 | 111,340                | 20,000                 | 17,125                    | 120,000                |  |
| <b>SUB-TOTAL</b>                       | <b>18,149</b>          | <b>111,340</b>         | <b>20,000</b>          | <b>17,125</b>             | <b>120,000</b>         | <b>100,000</b>                         |
| <b>CONTINGENCY/EMERGENCIES</b>         |                        |                        |                        |                           |                        |  |
| Emergency Reserve                      | -                      | -                      | 90,301                 | -                         | 82,630                 |  |
| Contingency                            | -                      | -                      | 202,323                | -                         | 270,000                |  |
| <b>SUB-TOTAL</b>                       | <b>-</b>               | <b>-</b>               | <b>292,624</b>         | <b>-</b>                  | <b>352,630</b>         | <b>60,006</b>                          |
| <b>SUB-TOTAL CAPITAL EXPENSES</b>      | <b>546,637</b>         | <b>409,602</b>         | <b>1,453,560</b>       | <b>1,521,627</b>          | <b>1,873,200</b>       | <b>419,640</b>                         |
| <b>TOTAL EXPENDITURES</b>              | <b>2,724,696</b>       | <b>2,732,819</b>       | <b>3,628,003</b>       | <b>3,782,406</b>          | <b>4,460,333</b>       | <b>832,330</b>                         |
| <b>ENDING FUNDS AVAILABLE</b>          | <b>\$ 24,295,498</b>   | <b>\$ 24,456,187</b>   | <b>\$ 24,113,726</b>   | <b>\$ 23,816,118</b>      | <b>\$ 22,110,125</b>   |  |

# 2023 Capital Expenses



**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**PROPERTY TAX COMPUTATION**

| <b>ASSESSED VALUATION</b> | <b>TAX<br/>YEAR<br/>2019</b> | <b>TAX<br/>YEAR<br/>2020</b> | <b>TAX<br/>YEAR<br/>2021</b> | <b>TAX<br/>YEAR<br/>2022</b> |
|---------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| <b>Jefferson County</b>   | \$ 562,475,675               | \$ 565,931,914               | \$ 626,816,665               | \$ 611,667,014               |
| <b>Arapahoe County</b>    | 99,288,957                   | 97,037,685                   | 101,637,484                  | 95,960,810                   |
| <b>Douglas County</b>     | 19,255,880                   | 18,630,150                   | 20,556,940                   | 20,423,060                   |
|                           |                              |                              |                              |                              |
| <b>Total</b>              | \$ 522,820,016               | \$ 681,599,749               | \$ 749,011,089               | \$ 728,050,884               |
| <br><b>MILL LEVY</b>      |                              |                              |                              |                              |
| Debt Service              | 0.000                        | 0.000                        | 0.000                        | 0.000                        |
| Refunds & Abatements      | 0.000                        | 0.000                        | 0.000                        | 0.000                        |
| General Operations        | 0.000                        | 0.000                        | 0.000                        | 0.000                        |
|                           |                              |                              |                              |                              |
| <b>Total</b>              | 0.000                        | 0.000                        | 0.000                        | 0.000                        |

# SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT

## BUDGET - 2023

### PROPERTY TAX COMPUTATION

| ASSESSED VALUATION                          | TAX<br>YEAR<br>2019 | TAX<br>YEAR<br>2020 | TAX<br>YEAR<br>2021 | TAX<br>YEAR<br>2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| <b>PROPERTY TAXES ASSESSED</b>              |                     |                     |                     |                     |
| <b>Jefferson County</b>                     |                     |                     |                     |                     |
| Debt Service                                | -                   | -                   | -                   | -                   |
| Refunds & Abatements                        | -                   | -                   | -                   | -                   |
| General Operations                          | -                   | -                   | -                   | -                   |
| <b>Arapahoe County</b>                      |                     |                     |                     |                     |
| Debt Service                                | -                   | -                   | -                   | -                   |
| Refunds & Abatements                        | -                   | -                   | -                   | -                   |
| General Operations                          | -                   | -                   | -                   | -                   |
| <b>Douglas County</b>                       |                     |                     |                     |                     |
| Debt Service                                | -                   | -                   | -                   | -                   |
| Refunds & Abatements                        | -                   | -                   | -                   | -                   |
| General Operations                          | -                   | -                   | -                   | -                   |
| <b>Total Tax Assessed</b>                   |                     |                     |                     |                     |
| Debt Service                                | -                   | -                   | -                   | -                   |
| Refunds & Abatements                        | -                   | -                   | -                   | -                   |
| General Operations                          | -                   | -                   | -                   | -                   |
| <hr style="border-top: 1px dashed black;"/> |                     |                     |                     |                     |
| <b>Total</b>                                | -                   | -                   | -                   | -                   |



**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**EXHIBIT A  
SUMMARY OF EXPENDITURES**

|   | ACTUAL       | ACTUAL       | BUDGET       | ESTIMATED    | BUDGET       | CHANGE              |
|---|--------------|--------------|--------------|--------------|--------------|---------------------|
|   | 2020         | 2021         | 2022         | 2022         | 2023         | FROM<br>2022 BUDGET |
| <b>OPERATING EXPENSES</b>                             |              |              |              |              |              |                     |
| Water (Schedule I)                                    | \$ 1,871,132 | \$ 2,070,951 | \$ 1,983,950 | \$ 2,032,751 | \$ 2,137,915 | \$ 153,965          |
| Sewer (Schedule I)                                    | 1,422,075    | 1,213,467    | 1,228,034    | 1,177,189    | 1,360,335    | 132,301             |
| Administration (Schedule I)                           | 748,692      | 833,189      | 758,203      | 768,388      | 837,973      | 79,770              |
| Other Operating Expenses (Schedule I)                 | 113,730      | 108,887      | 132,040      | 140,625      | 134,155      | 2,115               |
| <b>EXPENDITURES NOT REQUIRING FUNDS</b>               |              |              |              |              |              |                     |
| Depreciation & Amortization                           | 1,977,569    | 1,903,277    | 1,927,784    | 1,858,173    | 1,883,245    | (44,539)            |
| <b>ADDITIONAL EXPENDITURES REQUIRING FUNDS</b>        |              |              |              |              |              |                     |
| Water Projects  | 481,509      | 243,765      | 925,201      | 1,312,768    | 1,375,570    | 450,369             |
| Sewer Projects  | -            | 54,497       | 171,735      | 159,634      | 25,000       | (146,735)           |
| Equipment   | 46,979       | -            | 44,000       | 32,100       | -            | (44,000)            |
| Office/Building Projects                              | 18,149       | 111,340      | 20,000       | 17,125       | 120,000      | 100,000             |
| Emergencies   | -            | -            | 292,624      | -            | 352,630      | 60,006              |
| <b>OPERATING EXPENDITURES REQUIRING APPROPRIATION</b> | \$ 2,724,696 | \$ 2,732,819 | \$ 3,628,003 | \$ 3,782,406 | \$ 4,460,333 | \$ 832,330          |

**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**EXHIBIT A - SCHEDULE I  
OPERATING EXPENSES**

|                                 | <b>ACTUAL</b>    | <b>ACTUAL</b>    | <b>BUDGET</b>    | <b>ESTIMATED</b> | <b>BUDGET</b>    | <b>CHANGE</b>      |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
|                                 | <b>2020</b>      | <b>2021</b>      | <b>2022</b>      | <b>2022</b>      | <b>2023</b>      | <b>FROM</b>        |
|                                 |                  |                  |                  |                  |                  | <b>2022 BUDGET</b> |
| <b>WATER</b>                    |                  |                  |                  |                  |                  |                    |
| Water - Operation & Maintenance | \$ 407,422       | \$ 399,345       | \$ 400,000       | \$ 469,860       | \$ 490,115       | \$ 90,115          |
| Water - Contract Maintenance    |                  |                  |                  |                  |                  |                    |
| Emergency                       | 135,447          | 389,529          | 150,000          | 248,430          | 150,000          | -                  |
| Remedial                        | 225,979          | 158,672          | 325,500          | 258,565          | 400,000          | 74,500             |
| Hogback Pump Station            |                  |                  |                  |                  |                  |                    |
| General                         | 9,215            | 13,433           | 17,500           | 32,920           | 33,100           | 15,600             |
| Telemetry                       | 2,202            | 2,762            | 5,000            | 2,913            | 5,000            | -                  |
| Utilities                       | 24,760           | 28,241           | 28,500           | 31,665           | 34,100           | 5,600              |
| Water Pressure Monitoring       | 15,970           | 12,350           | 15,350           | 15,700           | 17,350           | 2,000              |
| Engineering - Water             | 6,488            | 84,972           | 15,000           | 8,985            | 15,000           | -                  |
| Engineering - GIS               | 4,314            | -                | 5,000            | 1,463            | 2,500            | (2,500)            |
| Engineering - Backcharge        | 354              | 2,438            | 6,750            | 27,400           | 30,000           | 23,250             |
| Utility Notification            | 4,875            | 5,448            | 6,250            | 4,875            | 6,250            | -                  |
| Depreciation & Amortization     | 1,034,106        | 973,762          | 1,009,100        | 929,975          | 954,500          | (54,600)           |
| <b>TOTAL</b>                    | <b>1,871,132</b> | <b>2,070,951</b> | <b>1,983,950</b> | <b>2,032,751</b> | <b>2,137,915</b> | <b>153,965</b>     |
| <b>SEWER</b>                    |                  |                  |                  |                  |                  |                    |
| Sewer - Operation & Maintenance | 276,254          | 305,893          | 298,500          | 283,785          | 328,750          | 30,250             |
| Sewer - Contract Maintenance    |                  |                  |                  |                  |                  |                    |
| Emergency                       | 271,759          | 6,953            | 20,000           | -                | 20,000           | -                  |
| Remedial                        | -                | 42,680           | 50,000           | -                | 115,000          | 65,000             |
| Sewer Flow Meters               |                  |                  |                  |                  |                  |                    |
| General                         | 730              | 178              | 5,000            | 11,735           | 13,735           | 8,735              |
| Telemetry                       | 5,573            | 8,615            | 2,700            | 8,515            | 2,700            | -                  |
| Utilities                       | 1,624            | 1,643            | 1,750            | 1,760            | 1,900            | 150                |
| Engineering - Sewer             | 868              | -                | 5,000            | -                | 5,000            | -                  |
| Engineering - GIS               | 4,314            | -                | 5,000            | 1,463            | 2,500            | (2,500)            |
| General Office Administration   | 354              | 2,438            | 6,750            | 27,400           | 30,000           | 23,250             |
| Utility Notification            | 4,875            | 5,448            | 6,250            | 4,875            | 6,250            | -                  |
| Depreciation & Amortization     | 855,724          | 839,620          | 827,084          | 837,656          | 834,500          | 7,416              |
| <b>TOTAL</b>                    | <b>1,422,075</b> | <b>1,213,467</b> | <b>1,228,034</b> | <b>1,177,189</b> | <b>1,360,335</b> | <b>132,301</b>     |

# SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT

## BUDGET - 2023

### EXHIBIT A - SCHEDULE I OPERATING EXPENSES

|                                    | ACTUAL<br>2020 | ACTUAL<br>2021 | BUDGET<br>2022 | ESTIMATED<br>2022 | BUDGET<br>2023 | CHANGE<br>FROM<br>2022 BUDGET |
|------------------------------------|----------------|----------------|----------------|-------------------|----------------|-------------------------------|
| <b>ADMINISTRATION</b>              |                |                |                |                   |                |                               |
| General Office Administration      |                |                |                |                   |                |                               |
| Administration                     | 575,746        | 647,904        | 568,000        | 583,255           | 636,600        | 68,600                        |
| Office Supplies & Expense          | 1,154          | 1,969          | 2,000          | 575               | 2,000          | -                             |
| Dues                               | 1,238          | 1,738          | 2,000          | 1,990             | 2,225          | 225                           |
| Election                           | 45             | -              | 2,000          | 2,000             | 2,000          | -                             |
| DWD collection fee                 | 13,653         | 13,653         | 13,653         | 13,653            | 13,653         | -                             |
| Public Relations                   |                |                |                |                   |                |                               |
| Newsletters                        | 26,226         | 27,005         | 27,500         | 29,950            | 33,300         | 5,800                         |
| Website / Other                    | -              | 150            | 500            | 653               | 500            | -                             |
| Legal Notices                      | 59             | 71             | 200            | 105               | 200            | -                             |
| Professional & Consulting          |                |                |                |                   |                |                               |
| Audit                              | 5,700          | 5,700          | 6,000          | 6,000             | 6,000          | -                             |
| Legal - General                    | 28,778         | 38,774         | 35,000         | 35,680            | 37,500         | 2,500                         |
| Legal - Backcharge                 | 4,604          | 2,580          | 5,000          | 3,985             | 5,000          | -                             |
| Technical Advisory Committee (TAC) | 3,750          | 3,750          | 3,750          | -                 | 3,750          | -                             |
| Other                              | -              | -              | 1,000          | -                 | 1,000          | -                             |
| Depreciation                       | 87,739         | 89,895         | 91,600         | 90,542            | 94,245         | 2,645                         |
| <b>TOTAL</b>                       | <b>748,692</b> | <b>833,189</b> | <b>758,203</b> | <b>768,388</b>    | <b>837,973</b> | <b>79,770</b>                 |
| <b>BUILDING MAINTENANCE</b>        |                |                |                |                   |                |                               |
| Maintenance                        | 60,525         | 53,841         | 72,500         | 80,450            | 68,065         | (4,435)                       |
| Utilities                          |                |                |                |                   |                |                               |
| Internet/Security                  | 16,270         | 15,340         | 14,500         | 16,280            | 16,945         | 2,445                         |
| Gas & Electric                     | 11,820         | 12,770         | 16,000         | 15,905            | 17,175         | 1,175                         |
| Water & Sewer                      | 3,509          | 3,440          | 3,720          | 3,585             | 3,720          | -                             |
| <b>TOTAL</b>                       | <b>92,124</b>  | <b>85,391</b>  | <b>106,720</b> | <b>116,220</b>    | <b>105,905</b> | <b>(815)</b>                  |

**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**EXHIBIT A - SCHEDULE I  
OPERATING EXPENSES**

|   | <b>ACTUAL</b>       | <b>ACTUAL</b>       | <b>BUDGET</b>       | <b>ESTIMATED</b>    | <b>BUDGET</b>       | <b>CHANGE</b>      |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
|   | <b>2020</b>         | <b>2021</b>         | <b>2022</b>         | <b>2022</b>         | <b>2023</b>         | <b>FROM</b>        |
|   |                     |                     |                     |                     |                     | <b>2022 BUDGET</b> |
| <b>INSURANCE</b>                        |                     |                     |                     |                     |                     |                    |
| Property/Inland Marine                  | 5,011               | 5,913               | 6,690               | 6,712               | 7,905               | 1,215              |
| General Liability                       | 4,650               | 4,707               | 5,250               | 5,391               | 6,365               | 1,115              |
| Directors & Officers / Commercial Crime | 4,725               | 4,827               | 5,100               | 5,280               | 5,700               | 600                |
| Bonds & Other                           | 200                 | 200                 | 250                 | 197                 | 250                 | -                  |
| <b>TOTAL</b>                            | <b>14,586</b>       | <b>15,647</b>       | <b>17,290</b>       | <b>17,580</b>       | <b>20,220</b>       | <b>2,930</b>       |
| <b>MISCELLANEOUS</b>                    |                     |                     |                     |                     |                     |                    |
| Directors Fees                          | 5,500               | 6,000               | 6,000               | 5,200               | 6,000               | -                  |
| Social Security                         | 421                 | 459                 | 480                 | 400                 | 480                 | -                  |
| Other                                   | 1,099               | 1,390               | 1,550               | 1,225               | 1,550               | -                  |
| <b>TOTAL</b>                            | <b>7,020</b>        | <b>7,849</b>        | <b>8,030</b>        | <b>6,825</b>        | <b>8,030</b>        | <b>-</b>           |
| <b>TOTAL OPERATING EXPENSES</b>         | <b>\$ 4,155,628</b> | <b>\$ 4,226,494</b> | <b>\$ 4,102,227</b> | <b>\$ 4,118,952</b> | <b>\$ 4,470,378</b> | <b>\$ 368,151</b>  |

**SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT**

**BUDGET - 2023**

**EXHIBIT B**  
**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 2023 \$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 2023 \$0.00

**SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT**  
**Ten Year Financial Plan**  
**2023-2032**

|   | ACTUAL            | ESTIMATED         | BUDGETED          |                   |                   |                   |                   |                   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | 2021              | 2022              | 2023              | 2024              | 2025              | 2026              | 2027              | 2028              | 2029              | 2030              | 2031              | 2032              |
| <b>BEGINNING FUNDS AVAILABLE</b>                    | <b>24,295,498</b> | <b>24,456,187</b> | <b>23,816,118</b> | <b>22,110,125</b> | <b>23,189,203</b> | <b>25,660,580</b> | <b>27,708,740</b> | <b>30,107,001</b> | <b>28,817,385</b> | <b>29,200,503</b> | <b>25,510,084</b> | <b>24,051,152</b> |
| <b>REVENUE</b>                                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Operating Revenue                                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Property taxes General Revenue (Exhibit 1)          | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Property taxes Debt Service (Exhibit 1)             | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Specific ownership taxes                            | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Service Fees  | 1,482,909         | 2,212,200         | 2,224,660         | 2,226,100         | 2,237,470         | 2,277,070         | 2,316,670         | 2,350,940         | 2,350,940         | 2,350,940         | 2,350,940         | 2,350,940         |
| Tap administrative fees                             | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Sewer contract fees                                 | 15,000            | 15,000            | 15,000            | 15,000            | 15,000            | 15,000            | 15,000            | 15,000            | 15,000            | 15,000            | 15,000            | 15,000            |
| Office lease (2.54%/yr)                             | 59,771            | 36,710            | 61,800            | 63,345            | 64,929            | 66,552            | 68,216            | 69,921            | 71,669            | 73,461            | 75,297            | 77,180            |
| Investment Income (@ 1.25%+ .50%/yr max 3.0%)       | -147,741          | 195,000           | 297,700           | 386,927           | 521,757           | 705,666           | 831,262           | 903,210           | 864,522           | 876,015           | 765,303           | 721,535           |
| Other   | 353,316           | 7,100             | 10,000            | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>Total Operating Revenue</b>                      | <b>1,763,255</b>  | <b>2,466,010</b>  | <b>2,609,160</b>  | <b>2,691,372</b>  | <b>2,839,156</b>  | <b>3,064,288</b>  | <b>3,231,148</b>  | <b>3,339,071</b>  | <b>3,302,131</b>  | <b>3,315,416</b>  | <b>3,206,540</b>  | <b>3,164,654</b>  |
| Development Revenue                                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Water tap fees                                      | 793,000           | 441,000           | 70,000            | 553,000           | 1,925,000         | 1,925,000         | 1,666,000         | 0                 | 0                 | 0                 | 0                 | 0                 |
| Sewer tap fees                                      | 300,933           | 158,112           | 15,180            | 119,922           | 417,450           | 417,450           | 361,284           | 0                 | 0                 | 0                 | 0                 | 0                 |
| Annexation fees                                     | 0                 | 0                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Plan Review / Inspection Fees                       | 36,320            | 77,215            | 60,000            | 15,000            | 10,000            | 10,000            |                   |                   |                   |                   |                   |                   |
| Contingency addback                                 |                   |                   |                   | 352,630           |                   |                   |                   |                   |                   |                   |                   |                   |
| Bond Proceeds                                       |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <b>Total Development Revenue</b>                    | <b>1,130,253</b>  | <b>676,327</b>    | <b>145,180</b>    | <b>1,040,552</b>  | <b>2,352,450</b>  | <b>2,352,450</b>  | <b>2,027,284</b>  | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          |
| <b>TOTAL REVENUE</b>                                | <b>2,893,508</b>  | <b>3,142,337</b>  | <b>2,754,340</b>  | <b>3,731,924</b>  | <b>5,191,606</b>  | <b>5,416,738</b>  | <b>5,258,432</b>  | <b>3,339,071</b>  | <b>3,302,131</b>  | <b>3,315,416</b>  | <b>3,206,540</b>  | <b>3,164,654</b>  |
| <b>EXPENDITURES</b>                                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Operations (2.54%/yr):                              |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Operations & Maintenance                            | 1,473,617         | 1,446,293         | 1,714,250         | 1,757,792         | 1,802,440         | 1,848,222         | 1,895,167         | 1,533,144         | 1,572,086         | 1,612,017         | 1,652,962         | 1,694,947         |
| General & Administrative                            | 849,600           | 814,486           | 872,883           | 895,054           | 917,789           | 941,100           | 965,004           | 989,515           | 1,014,649         | 1,040,421         | 1,066,848         | 1,093,946         |
| <b>Total Operations</b>                             | <b>2,323,217</b>  | <b>2,260,779</b>  | <b>2,587,133</b>  | <b>2,652,846</b>  | <b>2,720,228</b>  | <b>2,789,322</b>  | <b>2,860,171</b>  | <b>2,522,659</b>  | <b>2,586,735</b>  | <b>2,652,438</b>  | <b>2,719,810</b>  | <b>2,788,893</b>  |
| Short Term Capital Outlay (Exhibit 2)               |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Other   | 111,340           | 49,225            | 120,000           | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Contingency/Emergency Reserve                       | 0                 | 0                 | 352,630           | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>Total Short Term Capital Outlay</b>              | <b>111,340</b>    | <b>49,225</b>     | <b>472,630</b>    | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          |
| <b>Total Short Term Capital Outlay + Operations</b> | <b>2,434,557</b>  | <b>2,310,004</b>  | <b>3,059,763</b>  | <b>2,652,846</b>  | <b>2,720,228</b>  | <b>2,789,322</b>  | <b>2,860,171</b>  | <b>2,522,659</b>  | <b>2,586,735</b>  | <b>2,652,438</b>  | <b>2,719,810</b>  | <b>2,788,893</b>  |
| Long Term Capital Outlay (Exhibit 2)                |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Water   | 243,765           | 1,312,768         | 1,375,570         | 0                 | 0                 | 579,256           | 0                 | 2,106,027         | 332,278           | 4,353,397         | 1,945,662         | 0                 |
| Sewer   | 54,497            | 159,634           | 25,000            | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>Total Long Term Capital Outlay</b>               | <b>298,262</b>    | <b>1,472,402</b>  | <b>1,400,570</b>  | <b>0</b>          | <b>0</b>          | <b>579,256</b>    | <b>0</b>          | <b>2,106,027</b>  | <b>332,278</b>    | <b>4,353,397</b>  | <b>1,945,662</b>  | <b>0</b>          |
| Debt Service (Exhibit 1)                            |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Prinical payments                                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Interest payments                                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <b>Total Debt Service</b>                           | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          |
| <b>TOTAL EXPENSES</b>                               | <b>2,732,819</b>  | <b>3,782,406</b>  | <b>4,460,333</b>  | <b>2,652,846</b>  | <b>2,720,228</b>  | <b>3,368,578</b>  | <b>2,860,171</b>  | <b>4,628,686</b>  | <b>2,919,013</b>  | <b>7,005,835</b>  | <b>4,665,472</b>  | <b>2,788,893</b>  |
| Annual Surplus/(deficit)                            | 160,689           | -640,069          | -1,705,993        | 1,079,078         | 2,471,377         | 2,048,160         | 2,398,261         | -1,289,615        | 383,118           | -3,690,419        | -1,458,932        | 375,761           |
| <b>ENDING FUNDS AVAILABLE</b>                       | <b>24,456,187</b> | <b>23,816,118</b> | <b>22,110,125</b> | <b>23,189,203</b> | <b>25,660,580</b> | <b>27,708,740</b> | <b>30,107,001</b> | <b>28,817,385</b> | <b>29,200,503</b> | <b>25,510,084</b> | <b>24,051,152</b> | <b>24,426,913</b> |
| <b>CASH RESERVE PER POLICY</b>                      |                   |                   | 16,060,193        | 16,313,226        | 16,792,362        | 17,215,284        | 17,755,812        | 17,619,452        | 18,272,656        | 18,348,001        | 19,067,901        | 19,743,304        |

**SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT**  
**Ten Year Financial Plan**  
**2023-2032**

**EXHIBIT 1 PROPERTY TAX REVENUE**

|  | ACTUAL      | ESTIMATED   |             |             |             |             |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  | <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> | <u>2031</u> | <u>2032</u> |
| <b>Assessed Valuation</b>                                  |             |             |             |             |             |             |             |             |             |             |             |             |
| Taps Sold  | 113         | 63          | 10          | 79          | 275         | 275         | 238         | 0           | 0           | 0           | 0           | 0           |
| Total Taps   | 18,866      | 18,979      | 19,042      | 19,052      | 19,131      | 19,406      | 19,681      | 19,919      | 19,919      | 19,919      | 19,919      | 19,919      |
| Assessed Value per Tap<br>(5 % - 2025, +6% every odd year) | 36,128      | 39,465      | 38,234      | 38,234      | 40,528      | 40,528      | 42,960      | 42,960      | 45,537      | 45,537      | 48,269      | 48,269      |
| New Assessed Value   | 4,082,517   | 2,486,311   | 382,340     | 3,020,482   | 11,145,197  | 11,145,197  | 10,224,401  | 0           | 0           | 0           | 0           | 0           |
| Assessed Value   | 681,599,749 | 749,011,089 | 728,050,884 | 728,433,224 | 775,340,928 | 786,486,124 | 845,489,200 | 855,713,601 | 907,056,417 | 907,056,417 | 961,479,802 | 961,479,802 |
| <b>General Operations</b>                                  |             |             |             |             |             |             |             |             |             |             |             |             |
| Assessed Valuation   | 681,599,749 | 749,011,089 | 728,050,884 | 728,433,224 | 775,340,928 | 786,486,124 | 845,489,200 | 855,713,601 | 907,056,417 | 907,056,417 | 961,479,802 | 961,479,802 |
| General Operating Mill Levy+Abateme                        | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       |
| General Operating Property Tax                             | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Debt Service Mill Levy                                     | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       | 0.000       |
| Debt Service Property Tax                                  | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| <b>Service Fees</b>  |             |             |             |             |             |             |             |             |             |             |             |             |
| Water Taps   | 15,273      | 15,386      | 15,449      | 15,459      | 15,538      | 15,813      | 16,088      | 16,326      | 16,326      | 16,326      | 16,326      | 16,326      |
| Service Fee  | 96.00       | 144.00      | 144.00      | 144.00      | 144.00      | 144.00      | 144.00      | 144.00      | 144.00      | 144.00      | 144.00      | 144.00      |
|  | 1,458,841   | 2,215,580   | 2,224,660   | 2,226,096   | 2,237,472   | 2,277,072   | 2,316,672   | 2,350,944   | 2,350,944   | 2,350,944   | 2,350,944   | 2,350,944   |

**SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT**  
**Ten Year Financial Plan**  
**2023-2032**

**EXHIBIT 2 CAPITAL EXPENDITURES - DISTRICT CAPITAL IMPROVEMENTS**

|                                       | <u>ACTUAL</u>  | <u>ESTIMATED</u> | <u>BUDGETED</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>      | <u>2031</u>      | <u>2032</u> |
| <b>WATER</b>                          |                |                  |                  |             |             |                |             |                  |                |                  |                  |             |
| S. Holland Wy. Replacemt - 21-1W      | 205,883        |                  |                  |             |             |                |             |                  |                |                  |                  |             |
| S. Kipling St. Replacemt - 22-1W      | 37,882         | 1,228,138        |                  |             |             |                |             |                  |                |                  |                  |             |
| Santa Fe Dr North of C470. - 23-1W    |                | 84,630           | 1,375,570        |             |             |                |             |                  |                |                  |                  |             |
| Old Coal Mine Rd. Replacemt - 26-1W   |                |                  |                  |             |             | 579,256        |             |                  |                |                  |                  |             |
| Lexington Way - 28-1W                 |                |                  |                  |             |             |                |             | 194,204          |                |                  |                  |             |
| W. Walker Dr. - 28-2W                 |                |                  |                  |             |             |                |             | 757,023          |                |                  |                  |             |
| S. Cody Wy. - 28-3W                   |                |                  |                  |             |             |                |             | 693,922          |                |                  |                  |             |
| S. Everett Wy. - 28-4W                |                |                  |                  |             |             |                |             | 460,878          |                |                  |                  |             |
| W. Arbor Dr. - 29-1W                  |                |                  |                  |             |             |                |             |                  | 332,278        |                  |                  |             |
| S. Oak Way - 30-1W                    |                |                  |                  |             |             |                |             |                  |                | 136,497          |                  |             |
| W. Brittany Dr. - 30-2W               |                |                  |                  |             |             |                |             |                  |                | 647,456          |                  |             |
| W. Nova Ave. - 30-3W                  |                |                  |                  |             |             |                |             |                  |                | 254,258          |                  |             |
| C470 Crossing @ Santa Fe. - 30-4W     |                |                  |                  |             |             |                |             |                  |                | 2,581,888        |                  |             |
| W. Euclid Pl - 30-5W                  |                |                  |                  |             |             |                |             |                  |                | 733,298          |                  |             |
| S. Cody Wy. - 31-1W                   |                |                  |                  |             |             |                |             |                  |                |                  | 757,238          |             |
| S. Parfet St. - 31-2W                 |                |                  |                  |             |             |                |             |                  |                |                  | 395,169          |             |
| S. Brittany Dr. - 31-3W               |                |                  |                  |             |             |                |             |                  |                |                  | 372,017          |             |
| W. Bowles Ave. - 31-4W                |                |                  |                  |             |             |                |             |                  |                |                  | 421,238          |             |
| Additional Capital Water Projects     |                |                  |                  |             |             |                |             |                  |                |                  |                  |             |
| <b>TOTAL WATER</b>                    | <b>243,765</b> | <b>1,312,768</b> | <b>1,375,570</b> | <b>0</b>    | <b>0</b>    | <b>579,256</b> | <b>0</b>    | <b>2,106,027</b> | <b>332,278</b> | <b>4,353,397</b> | <b>1,945,662</b> | <b>0</b>    |
| <b>SEWER</b>                          |                |                  |                  |             |             |                |             |                  |                |                  |                  |             |
| Dutch Creek Interceptor Rehab - 21-1S | 54,497         |                  |                  |             |             |                |             |                  |                |                  |                  |             |
| S. Everett Way - 22-1S                |                | 159,634          |                  |             |             |                |             |                  |                |                  |                  |             |
| Sewer Rehabilitation (CIPP)           |                |                  | 25,000           |             |             |                |             |                  |                |                  |                  |             |
| Additional Capital Sewer Projects     |                |                  |                  |             |             |                |             |                  |                |                  |                  |             |
| <b>TOTAL SEWER</b>                    | <b>54,497</b>  | <b>159,634</b>   | <b>25,000</b>    | <b>0</b>    | <b>0</b>    | <b>0</b>       | <b>0</b>    | <b>0</b>         | <b>0</b>       | <b>0</b>         | <b>0</b>         | <b>0</b>    |
| <b>OTHER CAPITAL</b>                  | <b>111,340</b> | <b>17,125</b>    | <b>120,000</b>   | <b>0</b>    | <b>0</b>    | <b>0</b>       | <b>0</b>    | <b>0</b>         | <b>0</b>       | <b>0</b>         | <b>0</b>         | <b>0</b>    |
| <b>CONTINGENCY/EMERGENCY RESERVE</b>  |                |                  | <b>352,630</b>   |             |             |                |             |                  |                |                  |                  |             |
| <b>TOTAL CAPITAL</b>                  | <b>409,602</b> | <b>1,489,527</b> | <b>1,873,200</b> | <b>0</b>    | <b>0</b>    | <b>579,256</b> | <b>0</b>    | <b>2,106,027</b> | <b>332,278</b> | <b>4,353,397</b> | <b>1,945,662</b> | <b>0</b>    |