

DANIELS SANITATION DISTRICT

RESOLUTION NO. 2023-11-01

**RESOLUTION ADOPTING BUDGET, IMPOSING MILL LEVY AND
APPROPRIATING FUNDS FOR 2024**

WHEREAS, the Board of Directors (“Board”) of Daniels Sanitation District (“District”) has appointed the District Accountant to prepare and submit a proposed 2024 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2023 for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 13, 2023, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“TABOR”) and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, in order to provide a temporary reduction in property taxes pursuant to Sections 39-1-111.5 and 29-1-306 C.R.S., the Board has determined that a temporary mill levy reduction as set forth in the budget should be approved and certified to the County in accordance with the provisions of Section 39-1-111.5, C.R.S.; and

WHEREAS, the Board of Directors of the District has made provisions 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, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Daniels Sanitation District:

1. That estimated expenditures for each fund are as follows:

General Fund:	\$	38,724
Enterprise Fund:	\$	2,379,061
Total	\$	<u>2,417,785</u>

2. That estimated revenues are as follows:

General Fund:

From unappropriated surpluses	\$ 1,057
From sources other than general property tax	\$ 3,000
From general property tax	<u>\$ 34,667</u>
Total	\$ 38,724

Enterprise Fund:

From unappropriated surpluses	\$1,287,724
From fund transfers	\$ 28,057
From sources other than general property tax	<u>\$1,063,280</u>
Total	\$2,379,061

3. That the budget, as submitted, amended and herein summarized by fund, including, but not limited to, any mill levy rate reduction, be, and the same hereby is, approved and adopted as the budget for the 2024 fiscal year. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section shall be deemed ratified by the Board.

4. That the budget, as hereby approved and adopted, subject to any adjustments due to final assessed valuation, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$34,667; and

WHEREAS, the Board, in accordance with Sections 39-1-111.5 and 29-1-306, C.R.S., has determined to provide temporary property tax relief to its taxpayers in the form of a temporary reduction in its property tax rate for the 2024 budget year, which is subject to annual review; and

WHEREAS, the District has no outstanding debt obligation; and

WHEREAS, the preliminary 2023 valuation for assessment of the District, as certified by the County Assessor, is \$151,383,109; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Daniels Sanitation District:

1. That for the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 0.229 (including a temporary mill levy reduction of 0.146) mills upon

each dollar of the total valuation for assessment of all taxable property within the District to raise \$34,667.

2. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Jefferson County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Daniels Sanitation District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; 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, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Daniels Sanitation District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	\$ 38,724
Enterprise Fund:	\$2,379,061
Total Sums Appropriated	<u>\$2,417,785</u>

Adopted this 13th day of November, 2023.

DANIELS SANITATION DISTRICT

By: *Ray L Johnson*
Chairman

Attest:

Vern Luoma
Vice President

Daniels Sanitation District
Annual Budget
For Year Ending December 31, 2024

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Daniels Sanitation District
Jefferson County, Colorado

Management is responsible for the accompanying budget of estimated revenues, expenditures, and fund balances for the general and enterprise funds of Daniels Sanitation District for the year ending December 31, 2024, including estimated comparative information for the year ending December 31, 2023, and the actual comparative information for the year ending December 31, 2022, in the format prescribed by C.R.S. §§ 29-1-103 and 29-1-105, and the related budget message and summary of significant assumptions in accordance with the guidelines for budget presentation established by the American Institute of Certified Public Accountants (AICPA).

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budgets, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budgets.

The budgeted results may not be achieved as there will generally be differences between the budgeted and actual results. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying budgets and this report were prepared for the purpose of determining the mill levy and estimating revenues, expenditures and fund balances as required by governmental entities within the State of Colorado in accordance with C.R.S. §§ 29-1-103 and 29-1-105 and should not be used for any other purpose. The accompanying budgets are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

Morain Bakarich, CPAs

Morain Bakarich, CPAs
Golden, Colorado
January 4, 2024

DANIELS SANITATION DISTRICT
Assessed Valuation, Property Tax and Mill Levy Information

	2022	2023	2024
	ADOPTED BUDGET	ADOPTED BUDGET	ADOPTED BUDGET
ASSESSED VALUATION	\$ 138,583,520	\$ 134,881,958	\$ 151,383,109
Mill Levy			
General Fund	0.375	0.375	0.375
Debt Service Fund	-	-	-
Temporary Mill Levy Reduction	(0.129)	(0.129)	(0.146)
Abatements	-	-	-
Total Mill Levy	<u>0.246</u>	<u>0.246</u>	<u>0.229</u>
Property Taxes			
General Fund	\$ 51,969	\$ 50,581	\$ 56,769
Debt Service Fund	-	-	-
Temporary Mill Levy Reduction	(17,877)	(17,400)	(22,102)
Abatements	-	-	-
Total Budgeted Property Taxes	<u>\$ 34,092</u>	<u>\$ 33,181</u>	<u>\$ 34,667</u>

DANIELS SANITATION DISTRICT
Assessed Valuation, Property Tax and Mill Levy Information

	2022 ACTUAL	2023 ADOPTED BUDGET	2023 ESTIMATED	2024 ADOPTED BUDGET
BEGINNING FUND BALANCE	\$ 1,078	\$ 1,097	\$ 1,089	\$ 1,057
Estimated Revenues:				
Property Taxes	33,927	33,181	32,886	34,667
Specific Ownership Taxes	2,347	3,000	2,357	3,000
Interest - Property Taxes	32	-	(15)	-
Total Estimated Revenues	36,307	36,181	35,228	37,667
Total Funds Available	37,385	37,278	36,317	38,724
Estimated Expenditures:				
Directors Fees	6,600	8,000	6,000	8,000
Treasurer's Fees	509	498	510	537
Election Expense	52	1,000	100	1,000
Reserve for Contingencies	-	-	-	-
Total Estimated Expenditures	7,161	9,498	6,610	9,537
Estimated Transfers and Other Sources (Uses)				
Transfer (To) From Enterprise Fund	29,134	26,695	28,650	28,057
Emergency Reserve	-	1,085	-	1,130
Total Expenditures Requiring Appropriation	36,295	37,278	35,260	38,724
ENDING FUND BALANCE	\$ 1,089	\$ -	\$ 1,057	\$ -

**DANIELS SANITATION DISTRICT
ENTERPRISE FUND BUDGET
JANUARY 1, 2024 TO DECEMBER 31, 2024**

	2022 ACTUAL	2023 ADOPTED BUDGET	2023 ESTIMATED	2024 ADOPTED BUDGET
BEGINNING FUND BALANCE	\$ 2,043,368	\$ 1,961,727	\$ 2,026,835	\$ 1,287,724
Estimated Revenues:				
Sewer Service Charges	858,712	922,827	907,300	952,700
Tap Fees - Daniels Sanitation	42,000	-	6,420	13,640
Tap Fees - Metro	32,970	-	5,120	11,040
Interest	34,806	30,000	79,000	75,000
Inspection Fees	875	500	1,000	1,100
Returned Check Fees	75	50	150	200
Transfer Fees	1,700	2,500	2,000	2,500
Late Charges	7,098	7,500	6,000	7,000
Other Income	25	200	-	100
Transfer From General Fund	29,134	26,695	28,650	28,057
Total Estimated Revenues	1,007,396	990,272	1,035,640	1,091,337
Total Funds Available	3,050,764	2,951,999	3,062,475	2,379,061
Estimated Expenditures				
Operating Expenditures				
Accounting Services	2,991	4,250	4,500	4,500
Advertising	30	50	250	250
Auditing	5,800	6,500	6,400	7,000
Vehicle Expense	7,892	8,500	7,500	8,000
Backflow	145	-	50	150
Clothing Allowance	218	250	225	250
Education	2,209	2,500	1,500	2,500
Employee Insurance	36,324	40,000	39,000	41,300
Engineering	1,871	50,000	5,000	15,000
General Expense	-	1,500	500	1,000
Insurance-General	10,129	11,000	9,980	10,600
Insurance-Worker's Compensation	4,318	5,500	3,816	5,000
Legal	3,478	5,000	5,000	6,500
LWS Treatment	538,903	600,000	618,198	700,000
Management Services	24,226	35,000	38,000	41,000
Membership Dues	1,563	2,000	1,600	2,000
Metro Tap Fees	32,970	-	5,120	11,040
Office Building Repair and Maintenance	4,620	5,000	4,500	5,000
Office Utilities	2,167	2,500	2,200	2,500
Office Supplies	9,620	10,000	8,500	10,000
Answering Service	795	1,500	800	1,000
Payroll Taxes	13,007	12,458	11,800	13,400
Pleasant View Service Charges	1,512	2,500	1,512	1,600
Postage	3,123	4,000	3,500	4,000
Public Relations	-	200	-	-
Request for Locates	618	1,000	500	1,000
Repairs & Maintenance - Jetting and Root Cutting	49,120	50,000	40,000	50,000
Repairs & Maintenance - Video Inspections	12,548	50,000	30,000	50,000
Repairs & Maintenance - Replacement	-	10,000	5,000	10,000
Repairs & Maintenance - General	10,042	5,000	3,500	5,000
Retirement Benefits	12,453	15,000	12,500	15,000
Salaries - Office	59,754	60,000	48,400	65,000
Salaries - Other	96,651	95,000	99,150	102,600
Tools	375	2,500	250	2,500
Telephone	3,077	4,000	3,500	4,000
Reserve For Contingencies	-	769,583	-	642,631
Total Operating Expenditures	952,547	1,872,291	1,022,251	1,841,321

**DANIELS SANITATION DISTRICT
ENTERPRISE FUND BUDGET
JANUARY 1, 2024 TO DECEMBER 31, 2024**

	2022 ACTUAL	2023 ADOPTED BUDGET	2023 ESTIMATED	2024 ADOPTED BUDGET
Capital Expenditures				
Office Building Improvements	\$ -	\$ -	\$ -	\$ -
Machinery and Equipment	-	50,000	-	-
Office Furniture and Equipment	-	-	2,500	5,000
Sewer Line Replacements	71,382	1,000,000	750,000	500,000
Total Capital Expenditures	71,382	1,050,000	752,500	505,000
Estimated Transfers and Other Sources (Uses)				
Emergency Reserve	-	28,755	-	32,740
Total Expenditures Requiring Appropriation	1,023,929	2,951,046	1,774,751	2,379,061
Ending Fund Balance	\$ 2,026,835	\$ -	\$ 1,287,724	\$ -

**DANIELS SANITATION DISTRICT
2024 BUDGET MESSAGE AND
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Introduction

Daniels Sanitation District, (the "District") was formed on July 9, 1956 for the purpose of providing sewage collection and transmission services. The District provides service to approximately 1,554 connecting taps in the District's service area located within Jefferson County, Colorado. The District contracts with the City of Lakewood for sewage treatment services.

The 2024 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2024 fiscal year based on available revenues. This budget provides for the general operation of the District, and a business-like enterprise for the collection of sewage, and capital repair to the collection system.

The District's 2023 net assessed value increased to \$151,383,109 for the 2024 budget year. The District's net mill levy decreased to .229 mills, in accordance with the TABOR amendment to the Colorado Constitution. The District's net mill levy will generate approximately \$34,667 of property tax revenue.

Budgetary Basis of Accounting

The District uses funds to budget and report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions. The various funds determine the total District budget.

The District's General fund is considered a Governmental Fund and is reported using the economic resources focus and the modified accrual basis of accounting. Property taxes are recognized as revenues in the year for which they are levied. The District's Sanitation Enterprise fund is prepared under the full accrual basis of accounting. Revenues are recorded when earned and expenses recorded when the liability is incurred, regardless of the timing of the related cash flows.

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services, treatment charges and other expenses related to statutory operations of a local government. The General Fund's primary sources of revenue are property taxes and specific ownership taxes.

Sanitation Enterprise Fund accounts for the operations that are financed and operated in a manner similar to private business enterprise, where the intent is that costs of providing services to the public on a continuing basis be financed primarily through a combination of user charges. The District contracts for repair and maintenance services. Sanitary system maintenance and repairs have been estimated by the District's engineer. The estimated expenditures include periodic cleaning and general maintenance of sewer mainlines. Capital outlay expenditures in the enterprise fund include repairs to the system which was constructed approximately 40 years ago.

Long-Term Debt

The District does not currently have any outstanding indebtedness and does not anticipate any borrowings during 2024.

**DANIELS SANITATION DISTRICT
2024 BUDGET MESSAGE AND
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Lease Purchase Transactions

The District is not a party to any lease purchase agreements, nor does it contemplate entering into any lease purchase transactions in 2024.

Emergency Reserve

As required by Section 20 of Article X of the Colorado Constitution ("TABOR"), the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenue in the General Fund.

CERTIFICATION OF BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Daniels Sanitation District, for the budget year ending December 31, 2024, as adopted on November 13, 2023.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Daniels Sanitation District, Jefferson County, Colorado, this 13th day of November, 2023.



Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of JEFFERSON COUNTY, Colorado.

On behalf of the DANIELS SANITATION DISTRICT,
(taxing entity)^A
the BOARD OF DIRECTORS,
(governing body)^B
of the DANIELS SANITATION DISTRICT,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 151,931,282 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 151,383,109 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/04/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>.375</u> mills	\$ <u>56,769</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u><.146 ></u> mills	\$ <u>< 22,102 ></u>
SUBTOTAL FOR GENERAL OPERATING:	<u>.229</u> mills	<u>\$ 34,667</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>.229</u> mills	<u>\$ 34,667</u>

Contact person: Michael A. Bakarich, CPA Phone: (720) 499-0020
Signed: Michael A. Bakarich, CPA Title: Accountant

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: N/A
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: N/A
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.