

DANIELS SANITATION DISTRICT

RESOLUTION NO. 2024-11-01

**RESOLUTION ADOPTING BUDGET, IMPOSING MILL LEVY AND
APPROPRIATING FUNDS FOR 2025**

WHEREAS, the Board of Directors (“Board”) of Daniels Sanitation District (“District”) has appointed the District Accountant to prepare and submit a proposed 2025 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, 2024 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 12, 2024, 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, 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:	\$	36,998
Enterprise Fund:	\$	2,708,866
Total	\$	<u>2,745,864</u>

2. That estimated revenues are as follows:

General Fund:

From unappropriated surpluses	\$ 1,133
From sources other than general property tax	\$ 2,500
From general property tax	<u>\$ 33,365</u>
Total	\$ 36,998

Enterprise Fund:

From unappropriated surpluses	\$1,555,856
From fund transfers	\$ 21,405
From sources other than general property tax	<u>\$1,131,605</u>
Total	\$2,708,866

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 2025 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 \$33,365; 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 2025 budget year, which is subject to annual review; and

WHEREAS, the District has no outstanding debt obligation; and

WHEREAS, the preliminary 2024 valuation for assessment of the District, as certified by the County Assessor, is \$147,596,820; 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 2025 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 \$33,365.

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:	\$	36,998
Enterprise Fund:	\$	2,708,866
Total Sums Appropriated	\$	2,745,864

Adopted this 12th day of November, 2024.

DANIELS SANITATION DISTRICT

By: Rex L. Johnson
Rex L. Johnson, Chairman

Attest:

Scott Paschal
Scott Paschal, Secretary

Daniels Sanitation District
Annual Budget
For Year Ending December 31, 2025

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 ending fund balances for the general and enterprise funds of Daniels Sanitation District for the year ending December 31, 2025, including estimated comparative information for the year ending December 31, 2024, and the actual comparative information for the year ending December 31, 2023, 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
December 4, 2024

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

	2023	2024	2025
	ADOPTED BUDGET	ADOPTED BUDGET	ADOPTED BUDGET
ASSESSED VALUATION	\$ 134,881,958	\$ 151,383,109	\$ 145,697,980
Mill Levy			
General Fund	0.375	0.375	0.375
Temporary Mill Levy Reduction	(0.129)	(0.146)	(0.146)
Abatements	-	-	-
Total Mill Levy	0.246	0.229	0.229
Property Taxes			
General Fund	\$ 50,581	\$ 56,769	\$ 54,637
Temporary Mill Levy Reduction	(17,400)	(22,102)	(21,272)
Abatements	-	-	-
Total Budgeted Property Taxes	\$ 33,181	\$ 34,667	\$ 33,365

**DANIELS SANITATION DISTRICT
GENERAL FUND BUDGET
January 1, 2025 to December 31, 2025**

	2023 ACTUAL	2024 ADOPTED BUDGET	2024 ESTIMATED BUDGET	2025 ADOPTED BUDGET
BEGINNING FUND BALANCE	\$ 1,089	\$ 1,057	\$ 1,056	\$ 1,133
Estimated Revenues:				
Property Taxes	32,840	34,667	34,667	33,365
Specific Ownership Taxes	2,360	3,000	2,245	2,500
Other Income	-	-	824	-
Interest - Property Taxes	1	-	25	-
Total Estimated Revenues	<u>35,202</u>	<u>37,667</u>	<u>37,761</u>	<u>35,865</u>
Total Funds Available	<u>36,291</u>	<u>38,724</u>	<u>38,817</u>	<u>36,998</u>
Estimated Expenditures:				
Directors Fees	6,500	8,000	5,800	8,000
Treasurer's Fees	493	537	537	517
Election Expense	52	1,000	50	1,000
Reserve for Contingencies	-	-	-	5,000
Total Estimated Expenditures	<u>7,044</u>	<u>9,537</u>	<u>6,387</u>	<u>14,517</u>
Estimated Transfers				
Transfers - Enterprise Fund	28,191	28,057	31,297	21,405
Transfers - Emergency Reserve	-	1,130	-	1,076
Total Estimated Transfers	<u>28,191</u>	<u>29,187</u>	<u>31,297</u>	<u>22,481</u>
Total Expenditures Requiring Appropriation	<u>35,235</u>	<u>38,724</u>	<u>37,684</u>	<u>36,998</u>
Estimated Change in Fund Balance	<u>(33)</u>	<u>(1,057)</u>	<u>77</u>	<u>(1,133)</u>
ENDING FUND BALANCE	<u>\$ 1,056</u>	<u>\$ -</u>	<u>\$ 1,133</u>	<u>\$ -</u>

**DANIELS SANITATION DISTRICT
ENTERPRISE FUND BUDGET
JANUARY 1, 2025 TO DECEMBER 31, 2025**

	2023 ACTUAL	2024 ADOPTED BUDGET	2024 ESTIMATED BUDGET	2025 ADOPTED BUDGET
BEGINNING FUND BALANCE	\$ 2,026,835	\$ 1,287,724	\$ 1,580,415	\$ 1,577,261
Estimated Revenues:				
Sewer Service Charges	945,329	952,700	980,747	1,039,600
Tap Fees - Daniels Sanitation	19,260	13,640	2,020	-
Tap Fees - Metro	15,360	11,040	5,520	-
Interest	81,672	75,000	72,000	60,000
Inspection Fees	375	1,100	375	1,000
Returned Check Fees	150	200	100	100
Transfer Fees	2,025	2,500	1,750	2,000
Late Charges	6,929	7,000	7,500	7,500
Other Income	-	100	-	-
Transfer From General Fund	28,191	28,057	31,297	21,405
Total Estimated Revenues	1,099,291	1,091,337	1,101,309	1,131,605
Total Funds Available	3,126,126	2,379,061	2,681,724	2,708,866
Estimated Expenditures				
<i>Operating Expenditures</i>				
Accounting Services	4,967	4,500	5,500	6,000
Advertising	239	250	250	250
Auditing	6,400	7,000	7,200	8,000
Vehicle Expense	9,556	8,000	6,000	8,000
Backflow	-	150	-	150
Clothing Allowance	121	250	200	250
Education	1,993	2,500	2,000	2,500
Employee Insurance	36,415	41,300	30,000	31,500
Engineering	4,376	15,000	5,000	15,000
General Expense	20	1,000	100	1,000
Insurance-General	10,250	10,600	10,500	11,500
Insurance-Worker's Compensation	3,460	5,000	4,000	5,000
Legal	3,943	6,500	7,000	8,000
LWS Treatment	587,087	700,000	589,941	700,000
Management Services	40,646	41,000	41,000	42,200
Membership Dues	1,573	2,000	1,500	2,500
Metro Tap Fees	15,360	11,040	5,520	-
Office Building Repair and Maintenance	1,709	5,000	3,000	5,000
Office Utilities	2,072	2,500	2,040	2,500
Office Supplies	11,936	10,000	10,000	11,500
Answering Service	742	1,000	750	1,000
Payroll Taxes	14,048	13,400	13,000	13,800
Pleasant View Service Charges	1,512	1,600	1,512	1,600
Postage	3,259	4,000	3,500	4,000
Request for Locates	737	1,000	750	1,000
Repairs & Maintenance - Jetting and Root Cutting	34,070	50,000	50,000	55,000
Repairs & Maintenance - Video Inspections	16,914	50,000	20,000	50,000
Repairs & Maintenance - Replacement	193	10,000	5,000	10,000
Repairs & Maintenance - General	3,535	5,000	5,000	5,000
Retirement Benefits	11,302	15,000	8,000	10,000
Salaries - Office	51,960	65,000	60,000	65,000
Salaries - Other	108,674	102,600	102,000	107,100
Tools	567	2,500	1,000	2,500
Telephone	3,593	4,000	3,200	4,000
Reserve For Contingencies	-	642,631	-	979,068
Total Operating Expenditures	993,228	1,841,321	1,004,463	2,169,918

**DANIELS SANITATION DISTRICT
ENTERPRISE FUND BUDGET
JANUARY 1, 2025 TO DECEMBER 31, 2025**

	2023 ACTUAL	2024 ADOPTED BUDGET	2024 ESTIMATED BUDGET	2025 ADOPTED BUDGET
Capital Expenditures				
Office Furniture and Equipment	\$ -	\$ 5,000	\$ -	\$ 5,000
Sewer Line Replacements	552,483	500,000	100,000	500,000
Total Capital Expenditures	<u>552,483</u>	<u>505,000</u>	<u>100,000</u>	<u>505,000</u>
Estimated Transfers				
Emergency Reserve	-	32,740	-	33,948
Total Estimated Transfers	-	32,740	-	33,948
Total Expenditures Requiring Appropriation	<u><u>1,545,711</u></u>	<u><u>2,379,061</u></u>	<u><u>1,104,463</u></u>	<u><u>2,708,866</u></u>
Estimated Change in Fund Balance	<u>(446,420)</u>	<u>(1,287,724)</u>	<u>(3,154)</u>	<u>(1,577,261)</u>
Ending Fund Balance	<u><u>\$ 1,580,415</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,577,261</u></u>	<u><u>\$ -</u></u>

**DANIELS SANITATION DISTRICT
2025 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 sewer service to approximately 1,557 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 2025 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2025 fiscal year based on available revenues. The 2025 budget includes a general operating fund budget, and a business-like enterprise fund budget for the District's sewer enterprise.

For the 2025 budget year, the District's net assessed valuation decreased 3.76% to \$145,697,980. In accordance with the TABOR amendment to the Colorado Constitution, the District's net mill levy remained the same at .229 mills. The District's net mill levy will generate approximately \$33,365 of property tax revenue in 2025.

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 sewer system maintenance and repairs have been estimated by the District's engineer. The estimated expenditures include periodic cleaning and general maintenance of sewer transmission 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 2025.

**DANIELS SANITATION DISTRICT
2025 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 2025.

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, 2025, as adopted on November 12, 2024.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Daniels Sanitation District, December County, Colorado, this 12th day of November, 2024.



Patrick Morgan, Treasurer

(S E A L)

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 \$ 146,254,948 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: \$ 145,697,980 (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: 12/11/2024 for budget/fiscal year 2025.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	.375 mills	\$ 54,637
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< .146 > mills	\$ < 21,272 >
SUBTOTAL FOR GENERAL OPERATING:	.229 mills	\$ 33,365
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: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	.229 mills	\$ 33,365

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

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.