

**GOLDSMITH GULCH SANITATION DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**GOLDSMITH GULCH SANITATION DISTRICT  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES / AVAILABLE	\$ 3,064,128	\$ 2,924,674	\$ 2,940,353
<b>REVENUES</b>			
Property taxes	368,514	393,984	424,450
Specific ownership tax	25,427	27,579	25,467
Interest income	1,791	14,600	19,900
Sewer service fees	558,278	580,000	700,000
Other revenue	19,572	-	2,000
Castlewood connection fees	20,399	20,672	23,500
Castlewood cost sharing - Maintenance	3,229	1,500	2,000
Total revenues	<u>997,210</u>	<u>1,038,335</u>	<u>1,197,317</u>
TRANSFERS IN	<u>60,900</u>	<u>61,600</u>	<u>74,600</u>
Total funds available	<u>4,122,238</u>	<u>4,024,609</u>	<u>4,212,270</u>
<b>EXPENDITURES</b>			
General and administrative	172,172	199,241	279,000
Operations and maintenance	695,418	492,315	997,000
Capital projects	269,074	331,100	575,000
Total expenditures	<u>1,136,664</u>	<u>1,022,656</u>	<u>1,851,000</u>
TRANSFERS OUT	<u>60,900</u>	<u>61,600</u>	<u>74,600</u>
Total expenditures and transfers out requiring appropriation	<u>1,197,564</u>	<u>1,084,256</u>	<u>1,925,600</u>
ENDING FUND BALANCES / AVAILABLE	<u>\$ 2,924,674</u>	<u>\$ 2,940,353</u>	<u>\$ 2,286,670</u>
EMERGENCY RESERVE	\$ 11,900	\$ 12,700	\$ 13,600
RESERVE FOR OPERATIONS	433,795	348,828	643,000
RESERVE FOR SYSTEM REPLACEMENT	2,478,979	2,578,825	1,630,070
TOTAL RESERVE	<u>\$ 2,924,674</u>	<u>\$ 2,940,353</u>	<u>\$ 2,286,670</u>

**GOLDSMITH GULCH SANITATION DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/20/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION - Arapahoe</b>			
Residential	\$ 66,380,202	\$ 69,923,349	\$ -
Residential - Single Family	-	-	47,828,516
Residential - Multi Family	-	-	19,955,280
Commercial	174,063,064	184,450,075	193,603,706
State assessed	2,066,610	2,021,930	2,807,200
Vacant land	337,481	430,466	530,593
Personal property	27,440,140	24,993,912	13,587,140
Industrial	-	-	15,449
Other	140	140	140
Certified Assessed Value	<u>\$ 270,287,637</u>	<u>\$ 281,819,872</u>	<u>\$278,328,024</u>
<b>MILL LEVY</b>			
General	1.500	1.500	1.500
Temporary Mill Levy Reduction	(0.135)	(0.102)	0.000
Refund and abatements	0.000	0.000	0.025
Total mill levy	<u>1.365</u>	<u>1.398</u>	<u>1.525</u>
<b>PROPERTY TAXES</b>			
General	\$ 405,431	\$ 422,730	\$ 417,492
Temporary Mill Levy Reduction	(36,489)	(28,746)	-
Refund and abatements	-	-	6,958
Levied property taxes	368,942	393,984	424,450
Adjustments to actual/rounding	(428)	-	-
Budgeted property taxes	<u>\$ 368,514</u>	<u>\$ 393,984</u>	<u>\$ 424,450</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<u>\$ 368,514</u>	<u>\$ 393,984</u>	<u>\$ 424,450</u>
	<u>\$ 368,514</u>	<u>\$ 393,984</u>	<u>\$ 424,450</u>

**GOLDSMITH GULCH SANITATION DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/20/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,027,915	\$ 1,143,261	\$ 1,274,083
<b>REVENUES</b>			
Property taxes	368,514	393,984	424,450
Specific ownership tax	25,427	27,579	25,467
Interest income	286	100	100
Other revenue	712	-	1,000
Total revenues	394,939	421,663	451,017
Total funds available	1,422,854	1,564,924	1,725,100
<b>EXPENDITURES</b>			
General and administrative			
Accounting	38,277	42,000	48,300
Audit	4,600	4,800	5,000
County Treasurer's fee	5,532	5,910	6,367
Directors' fees	3,300	3,600	6,000
Insurance and bonds	29,323	22,622	40,000
District management	39,747	70,000	80,500
District management - special	924	3,500	5,000
Legal services	34,185	35,546	52,800
Miscellaneous	7,097	7,500	7,000
Payroll taxes	252	276	459
Election expense	-	1,487	2,000
Contingency	-	-	23,074
SDA expense	2,535	2,000	2,500
GIS system	6,400	-	-
Operations and maintenance			
Engineering - basic service	46,521	30,000	65,000
Total expenditures	218,693	229,241	344,000
<b>TRANSFERS OUT</b>			
Transfers to other fund	60,900	61,600	74,600
Total expenditures and transfers out requiring appropriation	279,593	290,841	418,600
ENDING FUND BALANCE	\$ 1,143,261	\$ 1,274,083	\$ 1,306,500
EMERGENCY RESERVE	\$ 11,900	\$ 12,700	\$ 13,600
RESERVE FOR OPERATIONS	109,347	114,621	172,000
RESERVE FOR SYSTEM REPLACEMENT	1,022,015	1,146,763	1,120,900
TOTAL RESERVE	\$ 1,143,261	\$ 1,274,083	\$ 1,306,500

No assurance provided. See summary of significant assumptions.

**GOLDSMITH GULCH SANITATION DISTRICT  
ENTERPRISE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUNDS AVAILABLE	\$ 2,036,213	\$ 1,781,413	\$ 1,666,270
REVENUES			
Interest income	1,505	14,500	19,800
Other revenue	18,860	-	1,000
Sewer service fees	558,278	580,000	700,000
Castlewood connection fees	20,399	20,672	23,500
Castlewood cost sharing - maintenance	3,229	1,500	2,000
Total revenues	<u>602,271</u>	<u>616,672</u>	<u>746,300</u>
TRANSFERS IN			
Transfers from other funds	<u>60,900</u>	<u>61,600</u>	<u>74,600</u>
Total funds available	<u>2,699,384</u>	<u>2,459,685</u>	<u>2,487,170</u>
EXPENDITURES			
Operations and maintenance			
Miscellaneous	4,869	500	500
Contingency	-	-	57,155
Engineering - basic service	39,758	25,000	65,000
GIS System	-	6,100	10,000
Billing expense	18,769	16,500	18,975
Utilities	6,143	6,500	10,000
Repairs and maintenance	6,965	7,500	25,000
R&M - Chenango lift station	2,483	3,500	20,000
R&M - Campus lift station	5,471	2,000	20,000
System operator - Guildner	130,763	130,000	148,000
Sewage treatment	433,676	270,815	567,370
Capital projects			
Capital outlay - Capital Improvements Proj	234,373	300,000	484,000
Capital outlay - Engineering	34,701	25,000	81,000
Total expenditures	<u>917,971</u>	<u>793,415</u>	<u>1,507,000</u>
Total expenditures and transfers out requiring appropriation	<u>917,971</u>	<u>793,415</u>	<u>1,507,000</u>
ENDING FUNDS AVAILABLE	<u>\$ 1,781,413</u>	<u>\$ 1,666,270</u>	<u>\$ 980,170</u>
RESERVE FOR OPERATIONS	\$ 324,449	\$ 234,208	\$ 471,000
RESERVE FOR SYSTEM REPLACEMENT	1,456,965	1,432,063	509,170
TOTAL RESERVE	<u>\$ 1,781,413</u>	<u>\$ 1,666,270</u>	<u>\$ 980,170</u>

No assurance provided. See summary of significant assumptions.

**GOLDSMITH GULCH SANITATION DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Arapahoe County, Colorado. The District was established to provide sanitation services.

The District has no employees and all operations and administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. For financial statement reporting under generally accepted accounting principles (GAAP), the District uses the full accrual basis of accounting. Consequently the terminology of "Funds Available" is used in the budget to distinguish the difference from GAAP accounting for Fund Balance. Funds Available represents each fund's current assets less its current liabilities except for the current portion of long-term debt. In addition, the budget separates individual funds, which are included as one entity in the GAAP presentation.

**Revenues**

**Property Taxes**

A significant source of operating revenue is property taxes. Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

The calculation of the taxes levied is displayed on the Property Tax Summary Information page of the budget using the adopted mill levy imposed by the District.

**GOLDSMITH GULCH SANITATION DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected by the General Fund.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on historical interest earnings.

**Sewer Treatment Revenue**

For 2023, the sewer treatment revenue is expected to be higher than the prior year due to a rate increase effective January 1, 2023.

**Castlewood Connection Fees**

Per agreement with Castlewood Sanitation District (Castlewood), the District agreed to allow Castlewood to connect a limited number of properties into the District's wastewater collection system. The District anticipates the cost of this service, as defined in the agreement, to be approximately \$23,500 for 2023.

**Castlewood Cost Sharing**

The agreement with Castlewood also provides for Castlewood to share costs with the District for specific repairs and maintenances, and improvements. In 2023, the District anticipates that Castlewood's share of lift station improvements will be approximately \$2,000.

**Other Revenue**

The District may receive revenues from other sources not separately budgeted, including but not limited to reimbursements for materials or receipt of insurance claims.

**Expenditures**

**Operating Expenses**

The majority of the District's operating revenue is paid to Metro Wastewater Reclamation District, which provides the treatment of sewage collected within the District. Additional preventative maintenance expenses, such as TVing, have been included in the budget.

**GOLDSMITH GULCH SANITATION DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures - (continued)**

**Administrative Expenditures**

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

**Capital Outlay**

Anticipated expenditures for capital projects are noted in the budget.

**Debt and Leases**

The District has neither outstanding debt nor any operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

**Operating and Replacement Reserves**

The District has also provided for a reserve for future replacement of the infrastructure, as well as other future operating contingencies and improvements to the system. Such general reserve is an integral part of Ending Fund Balance/ Funds Available. Operating reserves are 50% of the total budgeted operating expenses. Replacement reserves are equal to the Ending Fund Balance/ Funds Available less all other reserves.

**This information is an integral part of the accompanying budget.**