

PROPOSED BUDGET FOR CALENDAR YEAR 2020

| | GOVERNMENTAL FUNDS | | | | | | | | | | | | DEBT SERVICE FUND | | | | | | |
|------------------------------------|--------------------|-------------|-------------|-------|-----------|-----------|-----------|------------|-----------|-----------|--------------|-----------|-------------------|-----------|-----------|-------------------|-----------|------------|--|
| | GENERAL FUND | | | | Ref. | FIRE FUND | | | | Ref. | RESERVE FUND | | | | Ref. | DEBT SERVICE FUND | | | |
| | 2018 Act. | 2019 Est. | 2020 Bdg't | | | 2018 Act. | 2019 Est. | 2020 Bdg't | | | 2018 Act. | 2019 Est. | 2020 Bdg't | | | 2018 Act. | 2019 Est. | 2020 Bdg't | |
| Beginning Balance: | \$0 | \$0 | \$0 | | \$444,939 | \$606,855 | \$141,301 | | \$925,000 | \$950,000 | \$975,000 | | \$0 | \$0 | \$0 | | | | |
| Revenues: | | | | | | | | | | | | | | | | | | | |
| Property Taxes General (20 mills): | \$392,229 | \$398,908 | \$473,271 | < A.1 | | | | | | | | | | | | | | | |
| Property Taxes Parks (2 mills): | \$39,223 | \$39,891 | \$47,327 | < A.2 | | | | | | | | | | | | | | | |
| Property Taxes Fire (3 mills): | | | | | \$58,834 | \$59,836 | \$70,991 | < A.3 | | | | | | | | | | | |
| Specific Ownership Taxes: | \$69,172 | \$68,733 | \$72,000 | < B | | | | | | | | | | | | | | | |
| Inter-Governmental Revenue: | \$7,847 | \$9,760 | \$9,600 | < C | | | | | | | | | | | | | | | |
| Street Lights: | \$34,750 | \$34,848 | \$34,800 | < D | | | | | | | | | | | | | | | |
| Refuse Disposal: | \$189,526 | \$195,058 | \$203,400 | < E | | | | | | | | | | | | | | | |
| First Responders: | | | | < F | \$354,262 | \$350,384 | \$299,265 | < F | | | | | | | | | | | |
| Restricted Taxes: | | | | | | | | | | | | | \$52,381 | \$71,555 | \$80,217 | < R | | | |
| Miscellaneous: | \$10,473 | \$3,099 | \$2,700 | < G | \$446 | \$200 | \$20,000 | < G | \$23,858 | \$24,424 | \$26,400 | < G | \$0 | \$0 | \$0 | < G | | | |
| Total Revenues: | \$743,220 | \$750,297 | \$843,098 | | \$413,542 | \$410,420 | \$390,256 | | \$23,858 | \$24,424 | \$26,400 | | \$52,381 | \$71,555 | \$80,217 | | | | |
| Expenses: | | | | | | | | | | | | | | | | | | | |
| Administration: | \$53,475 | \$63,964 | \$68,774 | < H | \$16,665 | \$19,654 | \$21,386 | < H | | | | | | | | | | | |
| Public Safety: | | | | < I | \$369,789 | \$395,478 | \$392,275 | < I | | | | | | | | | | | |
| Public Works: | \$28,187 | \$26,977 | \$27,600 | < K | | | | | | | | | | | | | | | |
| Street Lights: | \$30,619 | \$30,624 | \$31,560 | < L | | | | | | | | | | | | | | | |
| Refuse Disposal: | \$165,086 | \$169,706 | \$175,440 | < M | | | | | | | | | | | | | | | |
| Culture & Recreation: | \$42,196 | \$48,505 | \$54,000 | < N | | | | | | | | | | | | | | | |
| Capital Outlay: | \$67,173 | \$134,562 | \$130,000 | < O | \$3,227 | \$533,407 | \$25,000 | < O | | | | | | | | | | | |
| Debt Service - Administration: | | | | | | | | | | | | | \$3,932 | \$3,750 | \$3,978 | < S | | | |
| Debt Service - Payment: | | | | | | | | | | | | | \$264,950 | \$264,950 | \$264,950 | < T | | | |
| Miscellaneous: | \$0 | \$4,600 | \$0 | < U | \$0 | \$0 | \$20,000 | < U | \$0 | \$0 | \$20,400 | < Q | \$0 | \$0 | \$10,000 | < U | | | |
| Total Expenses: | \$386,736 | \$478,938 | \$487,374 | | \$389,681 | \$948,539 | \$458,661 | | \$0 | \$0 | \$20,400 | | \$269,668 | \$269,773 | \$280,131 | | | | |
| Oth. Rev. Sources: | | | | | | | | | | | | | | | | | | | |
| Restricted Taps: | | | | | | | | | | | | | | | | | | | |
| Transfers In: | \$660 | \$0 | \$0 | < P | \$138,580 | \$72,565 | \$136,810 | < P.1 | \$1,277 | \$576 | \$19,000 | < P | \$217,287 | \$198,218 | \$199,914 | < P | | | |
| Transfers Out: | (\$357,144) | (\$271,359) | (\$355,724) | < P | (\$525) | \$0 | \$0 | | (\$135) | \$0 | \$0 | < P | \$0 | \$0 | \$0 | | | | |
| Total Other: | (\$356,484) | (\$271,359) | (\$355,724) | | \$138,055 | \$72,565 | \$136,810 | | \$1,142 | \$576 | \$19,000 | | \$217,287 | \$198,218 | \$199,914 | | | | |
| Ending Balance: | \$0 | \$0 | \$0 | | \$606,855 | \$141,301 | \$209,706 | | \$950,000 | \$975,000 | \$1,000,000 | | \$0 | \$0 | \$0 | | | | |

ALLOWED RESERVE LIMIT --> \$950,000 \$975,000 \$1,000,000

Assessed Valuation: \$23,663,530
Reg. Mills: 25.000
Dev. Owned Assessed Val.: \$802,170
Dev. Owned Mill Levy: 100.000
Monthly Residential/COI First Responder Service Charge: \$21.37 \$128.22
Monthly Residential Trash Removal Service Charge: \$15.50
Monthly Residential/COI Street Light Service Charge: \$2.40 \$24.00
Restricted Taps (Water and Sewer (each): \$6,500.00 (per 3/4" SFE tap - COI VARIES BY TAP SIZE)

PROPOSED BUDGET FOR CALENDAR YEAR 2020

| Budget References: | |
|---------------------------|--|
| < A.1 | 20 mills of Tax revenue governed by bankruptcy plan Case No. 89 B 16410 J. (EPC Tax codes 899, DB4, DB5, DBA, DCQ, DCS, DCU, DCV, DFW, DFX, DGA, DJP, DJQ, DKB, & DKD) |
| < A.2 | 2 mills for Parks and Recreation approved at election in 2005 and exempted from TABOR. (EPC Tax codes 899, DB4, DB5, DBA, DCQ, DCS, DCU, DCV, DFW, DFX, DGA, DJP, DJQ, DKB, & DKD) |
| < A.3 | 3 mills for Fire Protection and Emergency Services approved in 2005 and exempted from TABOR. (EPC Tax codes 899, DB4, DB5, DBA, DCQ, DCS, DCU, DCV, DFW, DFX, DGA, DJP, DJQ, DKB, & DKD) |
| < B | Estimated Specific Ownership Tax Revenue |
| < C | Estimated revenue from state lottery and various agencies grants for parks |
| < D | Estimated revenue from street light services fees at @\$2.40 home/mo and 7 commercial @\$24.00/mo) |
| < E | Estimated revenue from trash service fees of \$15.50/mo/acct. |
| < F | Estimated Revenue from First Responder Fees: \$19.64 per SF account/mo and \$117.81 per COI account/mo. |
| < G | Estimated interest and other miscellaneous revenue. |
| < H | Estimated cost of General District, and Water and Sewer Enterprises administration (Allocated as follows: 15% General Fund, 5% Fire Fund, 50% Water Ent. and 30% Sewer Ent.). |
| < I | Annual cost of operations for Fire Department and First Responder Unit. |
| < J | Cost payable to EPC for collecting "Developer Owned Property" Taxes only (1.5%) |
| < K | Estimated cost of maintaining drainage system, fire station, weed control, etc. |
| < L | Estimated cost of leasing street lights from MVEA |
| < M | Estimated cost for trash collection - Bestway Contract |
| < N | Estimated cost to maintain the District's parks and open spaces. |
| < O | Estimated capital expenditure's costs: Share of New Administration Building, Soccer Field and Irrigation system, trail additions, park equipment additions and/or replacement. |
| < P | Inter-Fund transfers. - Normally between Governmental Funds only. |
| < P.1 | Transfer from the Genral Fund of the acumulated excess tax revenue from the 3 mills raised for Fire Protection and First Responder Services. |
| < Q | Emergency Expenses of the Reserve Fund. |
| < R | Estimated Revenue from 100 mill assessment on "Developer Owned Property" as per bankruptcy plan. (El Paso County Tax codes 879, DB4, DB5, DCQ, DCU, DFW, DFX, DGA, DKB & DKD) |
| < S | Estimated cost of escrow agent for bonds (Bank of New York) |
| < T | Estimated payment to bondholders from tap fees, regular mil levy, surplus cash and restricted 100 mil levy. |
| < U | Miscellaneous expenses and/or budget balancing entries. |
| < V | Sale of restricted water and sewer taps per bankruptcy plan. |

Budget Message for the General Funds:

- 1) The District uses the Modified Accrual Budgetary Basis of Accounting for its governmental funds.
- 2) The District intends to provide the following services during fiscal year 2020:
trash collection, fire protection, park and landscaping maintenance, and general government liaison.
- 3) Surplus revenues of the District at the end of each fiscal year are pledged to repay the non-G.O. bonds resulting from US Bankruptcy Case No. 89 B 16410 J.

PROPOSED BUDGET FOR CALENDAR YEAR 2020
WATER AND WASTEWATER ENTERPRISES

| | WATER ENTERPRISE | | | | | | WASTEWATER ENTERPRISE | | | | | | | | | |
|-------------------------------------|-------------------------------|------------------|------------------|------|------------------|--------------------|-----------------------|------|-------------------------------|-------------------|-------------------|------------------|--------------------|-------------------|------------------|------|
| | ADMINISTRATION AND OPERATIONS | | | Ref. | CAPITAL PROJECTS | | | Ref. | ADMINISTRATION AND OPERATIONS | | | CAPITAL PROJECTS | | | | |
| | 2018 Act. | 2019 Est. | 2020 Bdgt | | 2018 Act. | 2019 Est. | 2020 Bdgt | | 2018 Act. | 2019 Est. | 2020 Bdgt | Ref. | 2018 Act. | 2019 Est. | 2020 Bdgt | Ref. |
| Beginning Balance: | \$0 | \$0 | \$0 | | \$523,864 | \$832,700 | \$1,106,714 | | \$0 | \$0 | \$0 | | \$359,686 | \$741,229 | \$613,300 | |
| Revenues: | | | | | | | | | | | | | | | | |
| User Charge or ASC: | \$372,401 | \$332,869 | \$375,000 | < A | | | | < A | \$414,720 | \$413,918 | \$420,000 | < A | \$122,378 | \$122,376 | \$122,376 | < A |
| Administrative Service Charge: | \$213,747 | \$196,716 | \$196,800 | < C | | | | < C | \$126,359 | \$115,315 | \$114,660 | < C | | | | |
| Capital Improvement Service Charge: | | | | | \$45,956 | \$46,104 | \$45,600 | < B | | | | < B | \$194,107 | \$194,894 | \$193,800 | < B |
| Capital Improvement Fee: | | | | | \$0 | \$0 | \$0 | < D | | | | < D | \$0 | \$0 | \$0 | < D |
| Interest and Miscellaneous: | \$44,113 | \$37,499 | \$39,420 | < E | \$90,315 | \$137,316 | \$100,500 | < E | \$3,575 | \$2,284 | \$13,000 | < E | \$1,505,040 | \$20,463 | \$6,000 | < E |
| Total Revenues: | \$630,261 | \$567,084 | \$611,220 | | \$136,271 | \$183,420 | \$146,100 | | \$544,654 | \$531,517 | \$547,660 | | \$1,821,525 | \$337,733 | \$322,176 | |
| Expenses: | | | | | | | | | | | | | | | | |
| Administration: | \$156,460 | \$187,147 | \$203,220 | < F | | | | < F | \$93,925 | \$112,177 | \$121,932 | < F | | | | |
| Treatment: | | | | | | | | < G | \$186,814 | \$218,229 | \$222,000 | < G | | | | |
| Production and Distribution: | \$375,506 | \$379,913 | \$408,000 | < H | | | | < H | \$135,205 | \$136,107 | \$171,200 | < H | | | | |
| Collection & Transmission: | | | | | \$81,990 | \$60,464 | \$500,000 | < I | | | | < I | \$1,278,976 | \$0 | \$300,000 | < I |
| Capital Outlay: | | | | | \$0 | \$0 | \$0 | < J | | | | < J | \$133,456 | \$378,662 | \$205,328 | < J |
| Debt Service: | | | | | \$0 | \$0 | \$0 | < K | | | | < K | \$0 | \$0 | \$0 | < K |
| Miscellaneous: | \$0 | \$24 | \$0 | < K | \$0 | \$0 | \$0 | < K | \$0 | \$146 | \$10,000 | < K | \$0 | \$0 | \$0 | < K |
| Total Expenses: | \$531,966 | \$567,084 | \$611,220 | | \$81,990 | \$60,464 | \$500,000 | | \$415,944 | \$466,659 | \$525,132 | | \$1,412,432 | \$378,662 | \$505,328 | |
| Oth. Rev. Sources: | | | | | | | | | | | | | | | | |
| Transfers In: | \$12,540 | \$0 | \$0 | < L | \$267,095 | \$151,058 | \$0 | < L | \$24,283 | \$0 | \$0 | < L | | \$13,000 | \$22,528 | < L |
| Transfers Out: | (\$110,835) | \$0 | \$0 | < L | (\$12,540) | \$0 | \$0 | < L | (\$152,993) | (\$64,858) | (\$22,528) | < L | (\$27,550) | (\$100,000) | \$0 | < L |
| Total Other: | (\$98,295) | \$0 | \$0 | | \$254,555 | \$151,058 | \$0 | | (\$128,710) | (\$64,858) | (\$22,528) | | (\$27,550) | (\$87,000) | \$22,528 | |
| Ending Balance: | \$0 | \$0 | \$0 | | \$832,700 | \$1,106,714 | \$752,814 | | \$0 | \$0 | \$0 | | \$741,229 | \$613,300 | \$452,676 | |

| Water Rates, Fees and Charges | | | |
|-----------------------------------|-------------------|-------------------------------|--|
| | RESIDENTIAL | COI | |
| Cost per Kgal: | \$3.50 to \$25.00 | \$3.50 to \$25.00 | |
| Min. Mo. Admin. Serv. Charge: | \$13.50 | \$80.80 | |
| Min. Mo. CISC (SFE): | \$3.00 | \$35.00 | |
| Capital Improv. Fee per 3/4" SFE: | \$9,201.00 | Tap size dependent (3/4" min) | |

| Wastewater Rates, Fees and Charges | | | |
|------------------------------------|-------------|---|--|
| | RESIDENTIAL | COI | |
| Cost per Kgal: | \$6.95 | \$6.95 | |
| Min. Mo. Admin. Serv. Chg. (SF): | \$8.00 | \$48.05 | |
| Min. Mo. CISC (SFE): | \$13.00 | \$140.00 | |
| Capital Improvement Fee per SFE: | \$9,997.00 | H ₂ O Tap size dep. (3/4" min) | |

PROPOSED BUDGET FOR CALENDAR YEAR 2020

Budget References:

| | |
|-----|--|
| < A | Revenue from utility usage or availability of service charges (ASC) |
| < B | Revenue from Capital Improvement Service Charges to be used exclusively for new and replacement infrastructure and financing of it, if necessary. |
| < C | Monthly Administration Charges |
| < D | Revenue from system connection fees. Equal to charge for tap fees. Funds used to compensate District for required new facilities or improvements to existing facilities. |
| < E | Misc income (Fees, Interest, Penalties, etc.) |
| < F | 50% Water Fund and 30% Sewer Fund Allocation of total cost for CCMD's Administrative Costs to run Enterprises. |
| < G | Cost of purchasing wastewater treatment services LFMSDD |
| < H | Direct and indirect costs of operating the water and wastewater systems. |
| < I | Capital Improvement Projects: Design and build Wells 201 and 204 with collection lines to plant, power and controls. |
| < J | Debt payments toward capital project financing |
| < K | Miscellaneous expenses and/or budgeting balancing entries. |
| < L | Interfund transfers between Enterprise Funds only |

Budget Message for the District's Enterprise Funds:

- 1) **The Enterprises of the District use the Modified Accrual Budgetary Basis of Accounting**
- 2) **The District's Enterprises will provide following services during fiscal year 2020: water production/treatment/distribution & wastewater collection/treatment services.**
- 3) **Surplus revenue in the Administration and Operations Fund of each Enterprise is pledged to repay the non-G.O. bonds resulting from US Bankruptcy Case No. 89 B 16410 J.**