

**RESOLUTION
TO ADOPT 2018 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
SOUTHGATE WATER DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2018 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE SOUTHGATE WATER DISTRICT, DOUGLAS AND ARAPAHOE COUNTIES, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2018, AND ENDING ON THE LAST DAY OF DECEMBER, 2018,

WHEREAS, the Board of Directors of the Southgate Water District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 12, 2017, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$0.00; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0.00; and

WHEREAS, the 2017 valuation for assessment for the District as certified by the County Assessor of Arapahoe County is \$1,278,986,654; and

WHEREAS, the 2017 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$815,776,510; and

WHEREAS, the 2017 valuation for assessment for the District as certified by the County Assessor of Douglas County (Water Bond Debt Service) is \$2,552,870.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTHGATE WATER DISTRICT OF DOUGLAS AND ARAPAHOE COUNTIES, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Southgate Water District for calendar year 2018.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2018 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2018 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2017.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of **0.000** mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2017.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2018 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of **0.000** mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2017.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2018 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of **0.000** mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2017.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2018 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of **0.000** mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2017.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of **0.000** mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2017.

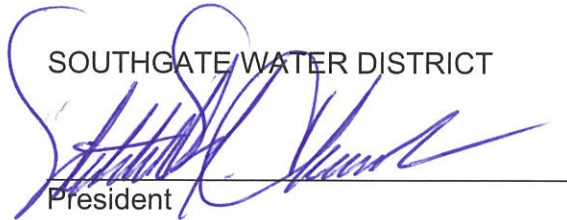
Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2017, to the Board of County Commissioners of Arapahoe and Douglas Counties, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Arapahoe and Douglas Counties, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2017, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the

directed to certify to the Board of County Commissioners of Arapahoe and Douglas Counties, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2017, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 12th day of December, 2017.

SOUTHGATE WATER DISTRICT


President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January ____, 2018
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2018 budget and budget message for SOUTHGATE WATER DISTRICT in Arapahoe and Douglas Counties, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 12, 2017. If there are any questions on the budget, please contact:

John Simmons
Simmons & Wheeler, P.C.
8005 South Chester Street, Suite 150
Centennial, CO 80112
Tel. (303) 689-0833

I, MITCHELL M. CHAMBERS as President of the Southgate Water District, hereby certify that the attached is a true and correct copy of the 2018 budget.

By:



President

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

Southgate Water District
Adopted Budget
For the Year Ending December 31, 2018

	Actual 2016	Adopted Budget 2017	Actual 09/30/17	Estimate 2017	Adopted Budget 2018
Total Beginning Funds Available	35,230,103	35,328,667	35,643,417	35,643,417	35,060,639
Administrative and Operations					
Revenues:					
Rates and service charges	1,427,042	1,508,630	1,082,408	1,422,000	1,568,165
Interest income	133,927	420,000	289,576	400,000	500,000
Plan review/inspection fees	27,375	30,000	20,075	30,000	30,000
Other income	70,012	10,000	8,300	10,000	10,000
Total revenues	1,658,356	1,968,630	1,400,359	1,862,000	2,108,165
Expenditures:					
Accounting / audit	30,672	38,000	27,460	33,000	38,000
Election expense	867	-	-	-	70,000
Conferences/Seminars/Memberships	35,756	30,000	24,802	30,000	42,500
DWD Service charge fees	-	-	-	-	-
Director fees	6,700	8,000	3,800	7,000	9,800
Employee compensation	709,540	804,245	507,723	750,000	804,245
Engineering - non capital	102,139	119,500	25,164	119,500	80,000
Insurance	34,270	41,000	37,278	37,278	41,000
Legal services	22,531	24,500	24,345	32,000	32,000
Maintenance	409,314	478,055	248,621	400,000	478,000
Office expenses	65,971	65,000	47,829	65,000	65,000
Network administrative maintenance	-	51,000	2,822	51,000	51,000
Software / subscriptions	-	50,000	26,219	50,000	50,000
Special Projects - non capital	53,496	23,000	2,972	23,000	28,000
Expended equipment	8,452	22,000	-	22,000	22,000
Utilities	65,504	65,700	54,817	80,000	80,000
Contingency	-	50,000	-	-	50,000
Total expenditures	1,545,212	1,870,000	1,033,852	1,699,778	1,941,545
Excess (deficiency) of revenues over expenditures - operations	113,144	98,630	366,507	162,222	166,620
Capital					
Revenues:					
Tap fees	1,247,386	1,300,000	719,334	1,300,000	1,300,000
Total revenues	1,247,386	1,300,000	719,334	1,300,000	1,300,000
Expenditures:					
Capitalized equipment	-	100,000	94,508	100,000	50,000
Capital Projects	947,216	3,885,000	321,835	1,885,000	3,835,000
Easements	-	50,000	-	50,000	50,000
Water resources	-	10,000	19,121	10,000	10,000
Total expenditures	947,216	4,045,000	435,464	2,045,000	3,945,000
Excess (deficiency) of revenues over expenditures - capital	300,170	(2,745,000)	283,870	(745,000)	(2,645,000)
Excess (deficiency) of revenues over expenditures	413,314	(2,646,370)	650,377	(582,778)	(2,478,380)
Total Ending Funds Available	35,643,417	32,682,297	36,293,794	35,060,639	32,582,259