

**SHERIDAN SANITATION DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**DRAFT – SUBJECT TO REVISION**

**SHERIDAN SANITATION DISTRICT NO. 2  
SUMMARY  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/11/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,334,887	\$ 910,940	\$ 889,311	\$ 889,311	\$ 777,329
REVENUES					
Property taxes	39,285	43,597	42,160	43,869	41,940
Specific ownership taxes	2,892	2,613	2,016	2,613	3,884
Capital replacement fee	183,907	181,000	106,934	181,000	181,000
Sewer treatment income	457,010	465,000	282,250	465,000	465,000
Sewer transfer fees	-	-	1,575	1,575	1,725
Interest income	16,443	15,100	23,044	35,100	26,000
Other revenue	-	500	-	-	-
Sewer tap fees	-	10,240	56,320	56,320	129,456
Late fees / penalties	2,050	6,000	2,638	5,000	6,000
Total revenues	<u>701,587</u>	<u>724,050</u>	<u>516,937</u>	<u>790,477</u>	<u>855,005</u>
TRANSFERS IN	<u>8,473</u>	<u>9,999</u>	<u>-</u>	<u>10,191</u>	<u>2,844</u>
Total funds available	<u>2,044,947</u>	<u>1,644,989</u>	<u>1,406,248</u>	<u>1,689,979</u>	<u>1,635,178</u>
EXPENDITURES					
General Fund	33,764	36,811	22,988	36,391	43,980
Enterprise Fund	1,113,399	765,000	536,186	866,068	1,089,420
Total expenditures	<u>1,147,163</u>	<u>801,811</u>	<u>559,174</u>	<u>902,459</u>	<u>1,133,400</u>
TRANSFERS OUT	<u>8,473</u>	<u>9,999</u>	<u>-</u>	<u>10,191</u>	<u>2,844</u>
Total expenditures and transfers out requiring appropriation	<u>1,155,636</u>	<u>811,810</u>	<u>559,174</u>	<u>912,650</u>	<u>1,136,244</u>
ENDING FUND BALANCES	<u>\$ 889,311</u>	<u>\$ 833,179</u>	<u>\$ 847,074</u>	<u>\$ 777,329</u>	<u>\$ 498,934</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	<u>\$ 1,300</u>	<u>\$ 1,500</u>	<u>\$ 1,400</u>	<u>\$ 1,400</u>	<u>\$ 1,500</u>
TOTAL RESERVE	<u>\$ 889,311</u>	<u>\$ 833,179</u>	<u>\$ 847,074</u>	<u>\$ 777,329</u>	<u>\$ 498,934</u>

No assurance provided. See summary of significant assumptions.

**SHERIDAN SANITATION DISTRICT NO. 2  
PROPERTY TAX SUMMARY INFORMATION  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/11/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 2024
<b>ASSESSED VALUATION</b>					
Residential	\$ 27,755,590	\$ -	\$ -	\$ -	\$ -
Residential - multi family		7,086,015	7,086,015	7,086,015	8,308,962
Residential - single family		19,802,812	19,802,812	19,802,812	28,609,752
Commercial	63,148,174	63,118,068	63,118,068	63,118,068	82,003,269
Industrial	221,850	221,850	221,850	221,850	-
State assessed	95,150	158,540	158,540	158,540	154,860
Vacant land	2,607,634	2,300,555	2,300,555	2,300,555	2,273,456
Personal property	5,721,118	5,380,589	5,380,589	5,380,589	5,551,281
	<u>99,549,516</u>	<u>98,068,429</u>	<u>98,068,429</u>	<u>98,068,429</u>	<u>126,901,580</u>
Adjustments (TIF)	(7,379,339)	(8,270,606)	(8,270,606)	(8,270,606)	(10,268,494)
Certified Assessed Value	<u>\$ 92,170,177</u>	<u>\$ 89,797,823</u>	<u>\$ 89,797,823</u>	<u>\$ 89,797,823</u>	<u>\$ 116,633,086</u>
<b>MILL LEVY</b>					
General	0.555	0.555	0.555	0.555	0.555
Temporary Mill Levy Reduction	(0.125)	(0.073)	(0.073)	(0.073)	(0.198)
Total mill levy	<u>0.430</u>	<u>0.482</u>	<u>0.482</u>	<u>0.482</u>	<u>0.357</u>
<b>PROPERTY TAXES</b>					
General	\$ 51,154	\$ 49,838	\$ 49,838	\$ 49,838	\$ 64,731
Temporary Mill Levy Reduction	(11,521)	(6,555)	(6,555)	(6,555)	(23,093)
Levied property taxes	39,633	43,283	43,283	43,283	41,638
Adjustments to actual/rounding	(797)	-	(1,437)	-	-
Budgeted property taxes	<u>\$ 38,836</u>	<u>\$ 43,283</u>	<u>\$ 41,846</u>	<u>\$ 43,283</u>	<u>\$ 41,638</u>
<b>ASSESSED VALUATION</b>					
Residential - multi-family	\$ 588,460	\$ 559,660	\$ 559,660	\$ 559,660	\$ 739,600
Commercial	-	7,930	7,930	7,930	-
State assessed	4,400	-	-	-	10,820
Vacant land	369,810	-	-	-	-
Personal property	82,700	82,930	82,930	82,930	94,940
Certified Assessed Value	<u>\$ 1,045,370</u>	<u>\$ 650,520</u>	<u>\$ 650,520</u>	<u>\$ 650,520</u>	<u>\$ 845,360</u>
<b>MILL LEVY</b>					
General	0.555	0.555	0.555	0.555	0.555
Temporary Mill Levy Reduction	(0.125)	(0.073)	(0.073)	(0.073)	(0.198)
Total mill levy	<u>0.430</u>	<u>0.482</u>	<u>0.482</u>	<u>0.482</u>	<u>0.357</u>
<b>PROPERTY TAXES</b>					
General	\$ 580	\$ 361	\$ 361	\$ 361	\$ 469
Temporary Mill Levy Reduction	(131)	(47)	(47)	(47)	(167)
Levied property taxes	449	314	314	314	302
Budgeted property taxes	<u>\$ 449</u>	<u>\$ 314</u>	<u>\$ 314</u>	<u>\$ 314</u>	<u>\$ 302</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	<u>\$ 39,285</u>	<u>\$ 43,597</u>	<u>\$ 42,160</u>	<u>\$ 43,597</u>	<u>\$ 41,940</u>
	<u>\$ 39,285</u>	<u>\$ 43,597</u>	<u>\$ 42,160</u>	<u>\$ 43,597</u>	<u>\$ 41,940</u>

No assurance provided. See summary of significant assumptions.

**SHERIDAN SANITATION DISTRICT NO. 2**  
**GENERAL FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/11/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
<b>REVENUES</b>					
Property taxes	39,285	43,597	42,160	43,869	41,940
Specific ownership taxes	2,892	2,613	2,016	2,613	3,884
Interest income	60	100	45	100	1,000
Other revenue	-	500	-	-	-
Total revenues	<u>42,237</u>	<u>46,810</u>	<u>44,221</u>	<u>46,582</u>	<u>46,824</u>
Total funds available	<u>42,237</u>	<u>46,810</u>	<u>44,221</u>	<u>46,582</u>	<u>46,824</u>
<b>EXPENDITURES</b>					
General and administrative					
Accounting	9,120	8,200	5,383	10,000	10,500
Auditing	5,500	6,000	5,750	5,750	6,500
County Treasurer's fee	591	652	635	652	971
Directors' fees	5,700	6,000	3,400	5,900	6,000
Dues and membership	276	500	530	530	550
Legal	9,373	8,000	6,940	13,000	14,000
Miscellaneous	2,768	5,000	90	100	5,000
Payroll taxes	436	459	260	459	459
Election	-	2,000	-	-	-
Total expenditures	<u>33,764</u>	<u>36,811</u>	<u>22,988</u>	<u>36,391</u>	<u>43,980</u>
<b>TRANSFERS OUT</b>					
Transfers to other fund	<u>8,473</u>	<u>9,999</u>	<u>-</u>	<u>10,191</u>	<u>2,844</u>
Total expenditures and transfers out requiring appropriation	<u>42,237</u>	<u>46,810</u>	<u>22,988</u>	<u>46,582</u>	<u>46,824</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,233</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**SHERIDAN SANITATION DISTRICT NO. 2  
ENTERPRISE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/11/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUNDS AVAILABLE	\$ 1,334,887	\$ 910,940	\$ 889,311	\$ 889,311	\$ 777,329
REVENUES					
Interest income	16,383	15,000	22,999	35,000	25,000
Capital replacement fee	183,907	181,000	106,934	181,000	181,000
Sewer treatment income	457,010	465,000	282,250	465,000	465,000
Sewer transfer fees	-	-	1,575	1,575	1,725
Sewer tap fees	-	10,240	56,320	56,320	129,456
Late fees / penalties	2,050	6,000	2,638	5,000	6,000
Total revenues	<u>659,350</u>	<u>677,240</u>	<u>472,716</u>	<u>743,895</u>	<u>808,181</u>
TRANSFERS IN					
Transfers from other funds	<u>8,473</u>	<u>9,999</u>	<u>-</u>	<u>10,191</u>	<u>2,844</u>
Total funds available	<u>2,002,710</u>	<u>1,598,179</u>	<u>1,362,027</u>	<u>1,643,397</u>	<u>1,588,354</u>
EXPENDITURES					
General and administrative					
Accounting	36,704	32,800	21,532	38,000	40,000
Insurance	7,193	9,000	4,509	7,730	9,000
District management	69,831	62,000	32,295	60,000	67,500
Legal	28,119	24,000	20,821	41,000	45,000
Miscellaneous	1,280	1,696	853	2,000	1,021
Billing	49,113	32,000	36,150	60,000	65,000
Operations and maintenance					
Repairs and maintenance	30,403	66,000	26,180	66,000	70,000
Utility locates	-	-	-	-	9,500
Engineering	37,232	38,000	23,753	63,000	41,500
Sewer treatment expense	274,010	378,004	220,502	378,004	433,899
Telephone	1,301	1,000	786	1,350	1,500
Collection fee	278	500	321	500	500
Improvements					
Sewer line replacement	577,935	120,000	148,484	148,484	-
Sanitary Sewer System Rehabilitation Project	-	-	-	-	250,000
Sanitary Sewer Maintenance Project	-	-	-	-	55,000
Total expenditures	<u>1,113,399</u>	<u>765,000</u>	<u>536,186</u>	<u>866,068</u>	<u>1,089,420</u>
Total expenditures and transfers out requiring appropriation	<u>1,113,399</u>	<u>765,000</u>	<u>536,186</u>	<u>866,068</u>	<u>1,089,420</u>
ENDING FUNDS AVAILABLE	<u>\$ 889,311</u>	<u>\$ 833,179</u>	<u>\$ 825,841</u>	<u>\$ 777,329</u>	<u>\$ 498,934</u>

No assurance provided. See summary of significant assumptions.

**SHERIDAN SANITATION DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Sheridan Sanitation District No. 2 (District) is a quasi-municipal corporation and political subdivision of the State of Colorado. The District's service area is in Arapahoe County, Colorado and the City and County of Denver, Colorado. It was organized to provide sewer services to property owners of the District. Maintenance and replacement of the District's lines remain the responsibility of the District.

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 Colorado Revised Statutes 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.

**Revenues**

**Service Fees**

The 2024 service fee revenue is expected to remain relatively consistent with 2022.

**Property Taxes**

The District treats property tax collections as non-operating revenues since they are assessed to cover non-operating expenses such as accounting, management and other costs necessary to administer the District.

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.

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 29.0%.

**Specific Ownership Tax**

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 6.00% of the property taxes collected by the General Fund.

**Tap Fees**

The total sewer tap and connection fee for 2024 is \$11,040 per SFE. The District's portion of the sewer tap fee for 2024 is \$5,520 per SFE. The remainder is remitted to Metro Wastewater.

**SHERIDAN SANITATION DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues  
(continued)**

**Net Investment Income**

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

**Late Fees/Penalties**

The District assesses late fees for overdue sewer treatment fees.

**Capital Replacement Fee**

In 2020, the District imposed a capital replacement fee to fund the cost of the sewer line replacement project in the amount of approximately \$180,000 annually over 15 years.

**Expenditures**

**Operating Expenditures**

The majority of the District's operating revenues are paid to independent contractors for sewage treatment. Additional preventative maintenance expenses have been budgeted.

**Administrative Expenditures**

Administrative expenditures include estimated services necessary to maintain the District's administrative viability.

**Capital Projects**

Anticipated expenditures for capital outlay are detailed in the Enterprise Fund budget.

**Debt and Leases**

The District has no outstanding debt or any operating or capital leases.

This information is an integral part of the accompanying budget.

DRAFT – SUBJECT TO REVISION