

UNITED WATER & SANITATION DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

**UNITED WATER & SANITATION DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 11,851,704	\$ 14,500,642	\$ 13,276,423
REVENUES			
Property taxes	92	96	92
Specific ownership taxes	14	12	12
Agricultural revenue	-	5,000	5,000
Interest income	1,523,787	1,075,000	1,080,000
Severance tax	96,420	90,000	100,000
ECCV payment - Phase I	1,196,000	-	-
Miscellaneous revenue	32,308	9,500	50,000
Water sales	2,351,442	604,878	-
Water sales - ACCWWA	1,894,785	-	-
Water pumping revenue	249,968	338,000	386,720
Crossing Fee Revenue	-	14,000	-
IGA revenue - WAWDA	11,204	-	-
IGA revenue - SBDMD	2,246,900	5,000,000	5,000,000
Operation Revenue	2,956,118	3,000,000	3,200,000
Sale of Water Certificates - Silver Peaks / Walton	1,766,654	1,856,650	1,951,200
Total revenues	<u>14,325,692</u>	<u>11,993,136</u>	<u>11,773,024</u>
TRANSFERS IN	<u>211,464</u>	<u>236,800</u>	<u>293,854</u>
Total funds available	<u>26,388,860</u>	<u>26,730,578</u>	<u>25,343,301</u>
EXPENDITURES			
General Fund	10,396,459	11,888,949	13,366,146
Enterprise Fund	1,280,295	1,328,406	1,425,000
Total expenditures	<u>11,676,754</u>	<u>13,217,355</u>	<u>14,791,146</u>
TRANSFERS OUT	<u>211,464</u>	<u>236,800</u>	<u>293,854</u>
Total expenditures and transfers out requiring appropriation	<u>11,888,218</u>	<u>13,454,155</u>	<u>15,085,000</u>
ENDING FUND BALANCES	<u>\$ 14,500,642</u>	<u>\$ 13,276,423</u>	<u>\$ 10,258,301</u>
EMERGENCY RESERVE	\$ 350,300	\$ 329,300	\$ 339,200
RESTRICTED FOR DEBT SERVICE	-	7,310,722	7,499,712
AVAILABLE FOR OPERATIONS	11,259,571	2,819,358	266,772
RESTRICTED FOR DEBT SERVICE - BIJOU AG	2,855,578	2,766,343	2,094,609
AVAILABLE FOR OPERATIONS - BIJOU AG	35,193	50,700	58,008
TOTAL RESERVE	<u>\$ 14,500,642</u>	<u>\$ 13,276,423</u>	<u>\$ 10,258,301</u>

See summary of significant assumptions.

**UNITED WATER & SANITATION DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Commercial	\$ 280	\$ 280	\$ 270
State assessed	10	10	10
Personal property	1,110	1,180	1,130
	1,400	1,470	1,410
Certified Assessed Value	\$ 1,400	\$ 1,470	\$ 1,410
 MILL LEVY			
General	65.455	65.455	65.455
Total mill levy	65.455	65.455	65.455
 PROPERTY TAXES			
General	\$ 92	\$ 96	\$ 92
Levied property taxes	92	96	92
Budgeted property taxes	\$ 92	\$ 96	\$ 92
 BUDGETED PROPERTY TAXES			
General	\$ 92	\$ 96	\$ 92
	\$ 92	\$ 96	\$ 92

See summary of significant assumptions.

**UNITED WATER & SANITATION DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 10,542,396	\$ 11,609,871	\$ 10,459,380
REVENUES			
Agricultural revenue	-	5,000	5,000
Interest income	1,516,242	1,000,000	1,000,000
Property taxes	92	96	92
Specific ownership taxes	14	12	12
Severance tax	96,420	90,000	100,000
ECCV payment - Phase I	1,196,000	-	-
Miscellaneous revenue	32,308	9,500	50,000
Water sales - ACCWWA	1,894,785	-	-
Water pumping revenue	15,350	-	-
Crossing Fee Revenue	-	14,000	-
IGA revenue - WAWDA	11,204	-	-
IGA revenue - SBDMD	2,246,900	5,000,000	5,000,000
Operation Revenue	2,899,429	3,000,000	3,200,000
Sale of Water Certificates - Silver Peaks / Walton	1,766,654	1,856,650	1,951,200
Total revenues	<u>11,675,398</u>	<u>10,975,258</u>	<u>11,306,304</u>
Total funds available	<u>22,217,794</u>	<u>22,585,129</u>	<u>21,765,684</u>
EXPENDITURES			
General and administrative			
Accounting	203,865	186,000	195,300
Accounting consulting	106,540	66,840	60,000
Auditing	19,000	20,000	21,000
District management	707,859	650,000	800,000
Engineering	783,681	780,000	800,000
Consulting	42,535	50,000	50,000
County Treasurer's fee	-	3	3
Directors' fees	4,414	6,500	6,500
Dues and membership	13,738	13,738	15,000
Insurance	156,131	176,610	195,000
Legal	632,393	350,000	500,000
Miscellaneous	32,081	100,000	100,000
Organization costs	2,332	30,000	-
Banking fees	434	1,000	1,000
Easement expenses	23,860	23,860	25,000
Repairs and maintenance	774,699	600,000	700,000
Surveys and locates	8,743	1,200	10,000
Agriculture expense	3,473	-	5,000
Uniforms	2,335	2,350	2,500
Water usage expense	107,175	180,000	200,000
Small tools and supplies	53,208	75,000	80,000
Utilities	22,946	10,000	25,000
Operation supplies	16,402	9,000	20,000
System Operations	3,088,571	2,500,000	3,000,000
Support Services	7,385	50,000	50,000
Debt Service			
Note principal - Series 2017	1,246,525	3,513,785	1,712,060
Note interest - Series 2017	252,183	151,775	50,150
Note principal - Series 2020	682,468	708,947	736,454
Note interest - Series 2020	607,835	580,841	552,801
Paying agent fees	1,500	1,500	1,500
Capital Projects			
Capital outlay	200,000	300,000	1,000,000
Capital Outlays- Equipment	104,916	250,000	150,000
Capital Outlay - Capital projects	487,232	500,000	2,250,000
Contingency	-	-	51,878
Total expenditures	<u>10,396,459</u>	<u>11,888,949</u>	<u>13,366,146</u>
TRANSFERS OUT			
Bijou Ag Expenditures	<u>211,464</u>	<u>236,800</u>	<u>293,854</u>
Total expenditures and transfers out requiring appropriation	<u>10,607,923</u>	<u>12,125,749</u>	<u>13,660,000</u>
ENDING FUND BALANCES	<u>\$ 11,609,871</u>	<u>\$ 10,459,380</u>	<u>\$ 8,105,684</u>
EMERGENCY RESERVE	\$ 350,300	\$ 329,300	\$ 339,200
RESTRICTED FOR DEBT SERVICE	-	7,310,722	7,499,712
AVAILABLE FOR OPERATIONS	<u>11,259,571</u>	<u>2,819,358</u>	<u>266,772</u>
TOTAL RESERVE	<u>\$ 11,609,871</u>	<u>\$ 10,459,380</u>	<u>\$ 8,105,684</u>

See summary of significant assumptions.

**UNITED WATER & SANITATION DISTRICT
BIJOU AGRICULTURE - ENTERPRISE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUNDS AVAILABLE	\$ 1,309,308	\$ 2,890,771	\$ 2,817,043
REVENUES			
Operation Revenue	56,689	-	-
Interest income	7,545	75,000	80,000
Water sales	2,351,442	604,878	-
Water pumping revenue	234,618	338,000	386,720
Total revenues	<u>2,650,294</u>	<u>1,017,878</u>	<u>466,720</u>
TRANSFERS IN			
United Contributions	<u>211,464</u>	<u>236,800</u>	<u>293,854</u>
Total funds available	<u>4,171,066</u>	<u>4,145,449</u>	<u>3,577,617</u>
EXPENDITURES			
General and administrative			
Accounting	-	-	-
Accounting consulting	1,225	1,500	-
District management	41,484	21,500	25,000
Legal	32,014	11,000	32,000
Miscellaneous	4,664	2,000	2,000
Repairs and maintenance	133,535	110,000	120,000
Utilities	30,396	30,000	31,500
Water usage expense	1,674	3,000	3,500
Small tools and supplies	7,316	8,000	10,000
Consulting	14,737	24,000	25,000
Engineering	56,689	1,500	10,000
System Operations	1,348	75,000	80,000
Contingency	-	-	12,862
Debt Service			
Note interest	382,713	359,406	331,638
Note principal	570,000	680,000	740,000
Paying agent fees	2,500	1,500	1,500
Total expenditures	<u>1,280,295</u>	<u>1,328,406</u>	<u>1,425,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,280,295</u>	<u>1,328,406</u>	<u>1,425,000</u>
ENDING FUNDS AVAILABLE	<u>\$ 2,890,771</u>	<u>\$ 2,817,043</u>	<u>\$ 2,152,617</u>
RESTRICTED FOR DEBT SERVICE - BIJOU AG	\$ 2,855,578	\$ 2,766,343	\$ 2,094,609
AVAILABLE FOR OPERATIONS - BIJOU AG	35,193	50,700	58,008
TOTAL RESERVE	<u>\$ 2,890,771</u>	<u>\$ 2,817,043</u>	<u>\$ 2,152,617</u>

See summary of significant assumptions.

**UNITED WATER & SANITATION DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

United Water & Sanitation District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on November 20, 2002, and is governed pursuant to provisions of the Colorado Special District Act.

The District was established to acquire, construct, finance and maintain public water, sewer and storm drainage improvements for the use and benefit of users of the District's systems. The District provides for the construction, operation and maintenance of water, sewer, and storm drainage facilities. The District provides water to various special districts and municipalities throughout the State and serves as a wholesaler of water. The District has no residents and does not provide any services directly to individuals.

On April 27, 2021, the Board adopted a resolution establishing the Bijou Agricultural Water Activity Enterprise for the purpose to acquire and develop certain properties and facilities for the supply, diversion, storage, carriage, and delivery of water. Bijou Agricultural is operated pursuant to the Water Activity Enterprise Statute to be an "enterprise" within the meaning of Article X, Section 20 of the Colorado Constitution (TABOR). The financial activities of the Bijou Agricultural Enterprise are reported as a separate enterprise under the Bijou Enterprise Fund.

The District has created several separate enterprise activities to support the acquisition, construction, operation, and maintenance of the facilities, pursuant to the Water Activity Enterprise Statute to be an "enterprise" within the meaning of Article X, Section 20 of the Colorado Constitution (TABOR). The financial activities of several other enterprises are combined for budgetary and financial reporting purposes and are reported as a single enterprise called the General Fund.

The District has no employees and all 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

Property Taxes

The District certified a 65.455 mill levy in the General Fund generating \$92 in property tax. The assessed valuation is \$1,410.

**UNITED WATER & SANITATION DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate	Category	Rate
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

Intergovernmental Revenue

A significant portion of the projected intergovernmental revenue for the District relates to funds anticipated to be received from South Beebe Draw Metropolitan District.

Operational Revenues

Pursuant to an agreement, United Water & Sanitation District performs operational and maintenance functions on behalf of other entities. The District charges back a portion of the fees and expenditures associated with the shared property with the other entities on a monthly basis, based upon the percentage of ownership and usage between the District and the entities.

Expenditures

Administrative and Operating Expenditures

Administrative and operating 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, management, insurance, meeting expense, and other administrative expenses.

Leases

The District has no operating or capital leases.

**UNITED WATER & SANITATION DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt

Water Certificate Refunding and Improvement Revenue Note, Series 2017

On June 26, 2017, the District issued its \$13,174,000 Water Certificate Refunding and Improvement Revenue Note, Series 2017 (2017 Note). Principal and interest on the 2017 Note is payable semi-annually on June 1 and December 1 each year. The 2017 Note will mature on June 1, 2027, and payable from pledged revenues including proceeds from the sale of water certificates held as collateral for the 2017 Note and any other legally available monies of the District as defined in the loan agreement. The interest rate on the 2017 Note is 4.02% per annum, and is payable in advance without prepayment penalty. As of April 14, 2025, the 2017 Loan Agreement was amended to require all available pledged revenue to be applied to the payment of principal and interest semi-annually on June 1 and December 1 each year. The District anticipates the 2017 Note will be fully repaid in 2026.

Refunding and Improvement Revenue Note, Series 2020

On June 1, 2020, the District issued \$17,950,000, Series 2020 Refunding and Improvement Revenue Note. Principal on the 2020 Note is payable annually on June 15, and interest is payable semi-annually on June 15 and December 15, with a maturity date of June 15, 2027. The interest rate on the 2020 Note is 3.88% per annum.

The Series 2020 Note is payable from pledged revenues which consist of (a) amounts received from East Cherry Creek Valley Water and Sanitation District by the District pursuant to the Tap Fee Agreement; (b) amounts received by the District as owner of a portion of Subordinate Bonds; and (c) any other legally available moneys of the District.

The loan may be prepaid in whole or part at the option of the District without premium provided that the source of the funds used for such prepayment are derived solely from the Tap Fee Agreement or amounts received by the District as owner is a portion of the Subordinate Bonds. The Loan may be prepaid at the option of the District, in whole, but not in part, with a prepayment fee as follows:

- A. Prior to June 15th, 2023 = 3%
- B. Prior to June 15th, 2024 = 2%
- C. Prior to June 15th, 2025 = 1%
- D. And 0% thereafter

Enterprise Fund

On September 29, 2021, the District, acting by and through the Bijou Agricultural Enterprise Water Activity Enterprise and Teague Enterprises, LLC. (Teague) entered into an advance and reimbursement agreement to fund the purchase of 184-acre feet of tier 1 water rights in the amount of \$1,932,000.

**UNITED WATER & SANITATION DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Enterprise Fund (continued)

On August 19, 2021, the District acting by and through its Bijou Agricultural Water Activity Enterprise entered into a loan with Teague Enterprises, LLC. for amount of \$10,000,000 for the purposes of financing the acquisition of water infrastructure and facilities. Principal on the loan is payable annually on December 20th beginning in 2021 to the extent that pledge revenues are available. Pledged revenues are moneys derived from: a) fees collected by the enterprise, including Tier 1 fee collections and all water augmentation fee collections; and b) all revenues derived by the enterprise from the sale, lease, or conveyance of augmentation credits.

On September 1, 2021, the District, acting by and through its Bijou Agricultural Water Activity Enterprise, issued a Water Infrastructure Revenue note, Series 2021A and 2021B (collectively, the Series 2021 Notes). Principal on the Series 2021 Notes are payable annually on December 1, beginning in 2021 and interest is payable semi-annually on June 1 and December 1, beginning December 1, 2021 with a maturity date of September 30, 2031. The Loan may be prepaid at the option of the Enterprise, in whole, but not in part, upon payment of the entire outstanding principal balance of the Loan, plus accrued interest thereon to the date of prepayment, any other amounts due and owing hereunder and the applicable Prepayment Fee. "Prepayment Fee" means, with respect to any prepayment of the Loan, (i) 3% of the principal amount thereof being prepaid, if such prepayment occurs before September 30, 2024; (ii) 2% of the principal amount thereof being prepaid, if such prepayment occurs on or before September 30, 2025, and (iii) 1% of the principal amount being prepaid, if such prepayment occurs on or before September 30, 2026; and (iv) zero percent thereafter.

The Series 2021A Note is payable from pledged revenues which consist of: a) all revenues from the sale, lease, or conveyance of augmentation credits derived from the Enterprise Water Rights; and b) 85% of revenues from water usage charged by the Enterprise, including all fees collected by the Enterprise.

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.

UNITED WATER & SANITATION DISTRICT
2020 KEYBANK WATER CERTIFICATE
REFUNDING & IMPROVEMENT REVENUE NOTE
3.88% Interest Payable
SERIES 2020 - \$17,950,000
Payable June 15 and December 15

Year Ended				
December 31,	Principal Amount	Interest Amount	Annual Total	
2026	\$ 736,454	\$ 552,801	\$ 1,289,255	
2027	13,879,203	269,257	14,148,460	
Total	\$ 14,615,657	\$ 822,058	\$ 15,437,715	

See summary of significant assumptions.

**UNITED WATER & SANITATION DISTRICT
 BIJOU AGRICULTURAL WATER ACTIVITY ENTERPRISE
 WATER REFUNDING REVENUE NOTE
 3.96% Interest Payable
 SERIES 2021A - \$7,250,000**

Year Ended December 31,	Principal Amount	Interest Amount	Annual Total
2026	\$ 650,000	\$ 200,376	\$ 850,376
2027	700,000	174,636	874,636
2028	750,000	146,916	896,916
2029	550,000	117,216	667,216
2030	450,000	95,436	545,436
2031	1,960,000	77,616	2,037,616
Total	\$ 5,060,000	\$ 812,196	\$ 5,872,196

See summary of significant assumptions.

**UNITED WATER & SANITATION DISTRICT
 BIJOU AGRICULTURAL WATER ACTIVITY ENTERPRISE
 WATER REFUNDING REVENUE NOTE
 5.01% Interest Payable
 SERIES 2021B - \$3,000,000**

Year Ended December 31,	Principal Amount	Interest Amount	Annual Total
2026	\$ 90,000	\$ 131,262	\$ 221,262
2027	100,000	126,753	226,753
2028	650,000	121,743	771,743
2029	665,000	89,178	754,178
2030	665,000	55,862	720,862
2031	450,000	77,616	527,616
Total	\$ 2,620,000	\$ 602,414	\$ 3,222,414

See summary of significant assumptions.