

BUDGET DOCUMENT & BUDGET MESSAGE

SOUTH VALE WATER DISTRICT			
2026 Metro District Budget			
	<u>2024 Actual</u>	<u>2025 Actual</u>	<u>2026 Adopted</u>
Beginning Funds Available	0	0	0
<u>Revenue and Other Financing Sources</u>			
Transfer In from S. Vale Water District Inc.	0	0	22,000
Property Taxes	0	0	0
Specific Ownership Taxes	0	0	0
Special Assessments or Fees	0	0	7,000
Interest Income	0	0	0
Total Revenue	0	0	29,000
Total Funds Available	0	0	29,000
<u>Expenditures</u>			
Administrative (incl bank fees)	0	0	100
Contract Services / Well Operations	0	0	1,200
P&L Insurance and SDA Membership	0	0	2,500
Accounting (incl. audit exemption)	0	0	500
Legal Fees	0	0	12,000
Repair and Maintenance	0	0	1,000
Supplies (Maintenance, office, etc.)	0	0	350
Utilities	0	0	1,550
Capital Outlay / Capital Reserve	0	0	7,500
Misc / Contingency	0	0	500
Total Expenditures	<u>0</u>	<u>0</u>	<u>27,200</u>
Ending Fund Balance	0	0	1,800
Net Change in Fund Balance	0	0	1,800
Emergency Reserve	0	0	0
Ending Available Funds	0	0	1,800
Assessed Valuation	n/a	n/a	n/a
Mill Levy-General	0	0	0
Property Taxes	0	0	0

SOUTH VALE WATER DISTRICT BUDGET MESSAGE

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Disclosures contained in this budget message, as presented by management, are those that are believed to be significant as of the date that the Budget is filed with the Division of Local Government and are not intended to be all inclusive. The disclosures are intended to describe assumptions used during the preparation of the annual Budget. Actual results may differ from the prospective results contained in the Budget.

Services Provided. The District was organized to provide financing, construction, installation, acquisition, and operation of certain public improvements and facilities pursuant to applicable law. Such public improvements and facilities include, among other things, constructing and installing a water supply and distribution system to supply and distribute water for domestic purposes (“Water Services”). The District has no employees, and all operations and administrative functions are contracted or handled by residents. The District prepares its budget on the modified accrual basis of accounting.

Re-Constitution of the District. The District was originally organized in 1957 but did not maintain an elected board of directors. After the organizational election in 1957 the District operated informally and as a non-profit corporation (South Vale Water District, Inc.) to provide the Water Services. On September 16, 2025, the Board of County Commissioners of Boulder County held a hearing in which five qualified electors were appointed to serve on the Board of Directors of the District (the “Board”). The appointed directors conducted an election on November 4, 2025 at which five directors were elected by voters within the District to serve on the board of directors of the District.

Revenue. The primary source of funds for operations, administration and capital expenditures during the budget year is the transfer of available funds from South Vale Water District, Inc., as well as any fees or special assessments adopted by the Board. The District does not anticipate any revenue that is subject to TABOR, and therefore the Budget contains no TABOR emergency reserve fund.

Administrative Expenses. Administrative expenses have been budgeted based on estimates of the District’s Board of Directors and consultants to include services necessary to maintain the District’s administrative viability, such as legal, accounting, managerial, general engineering, insurance, meeting expenses, and other administrative costs and expenses.