

EVERGREEN METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

EVERGREEN METROPOLITAN DISTRICT
2024 WATER BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/2024

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
WATER OPERATING REVENUES			
Water Sales	\$ 3,639,449	\$ 3,640,000	\$ 3,830,000
Tap Purchase Agreements	3,000	3,000	3,000
Late Charges and Service Charges	26,804	21,000	35,000
Services to Developers/Public	3,679	17,000	5,000
Services to Districts	126,945	139,000	153,000
Connections and Inspections	23,488	9,000	47,210
Interest Income	68,671	260,000	200,000
Tower Leases Revenue	69,351	70,487	71,000
Miscellaneous	18,782	20,000	25,000
Total Water Operating Revenues	3,980,169	4,179,487	4,369,210
WATER OPERATING EXPENDITURES			
<u>Source of Supply</u>			
Supplies and Maintenance	13,363	28,000	50,000
Water Rights Maintenance & Engineering	35,629	63,000	93,000
<u>Water Treatment Plant</u>			
Chemicals	88,162	95,000	95,000
Supplies and Maintenance	79,120	90,000	90,000
Power	128,382	128,000	132,000
Truck Expense	14,243	18,000	18,000
Laboratory	23,334	32,000	35,000
Wastewater Treatment Services	135,960	144,000	153,120
Employee Expense	606,220	750,000	700,000
<u>Transmission & Distribution</u>			
Supplies and Maintenance	26,884	20,000	30,000
Utilities (Power)	117,359	118,000	120,000
Safety	4,644	6,000	6,000
<u>New Services, Environmental and Pretreatment</u>			
Supplies and Maintenance	17,076	14,000	26,000
Truck Expense	2,672	3,000	3,000
Laboratory	-	1,000	3,000
New Service Supplies	8,959	10,000	14,000
Safety	203	500	500
Employee Expense	210,830	176,000	292,000
<u>Collection and Distribution</u>			
Supplies and Maintenance	21,698	22,000	24,000
Telephone & Utilities	6,633	11,000	12,000
Truck Expense	2,884	5,500	5,500
Equipment Maintenance Expense	32,079	22,000	31,500
Distribution Expense	80,675	180,000	200,000
Safety	3,329	3,000	4,000
Employee Expense	350,025	412,000	472,000
<u>Customer Service / Meter Reading & Billing</u>			
Supplies and Maintenance	9,917	20,000	20,000
Safety	-	100	100
Outsourcing / Billing	13,053	14,000	16,000
Employee Expense	214,151	231,000	258,000
Total Water Operating Expenditures	\$ 2,247,484	\$ 2,617,100	\$ 2,903,720

No assurance provided. See summary of significant assumptions.

EVERGREEN METROPOLITAN DISTRICT
2024 WATER BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/2024

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
WATER EXPENDITURES - ADMINISTRATION			
Audit	\$ 12,460	\$ 8,750	\$ 9,100
Accounting	39,988	35,000	40,000
Insurance	56,474	82,474	90,000
Legal	54,357	60,000	60,000
Engineering	19,280	3,000	3,000
Office and Operating	33,794	37,000	40,000
Outside Services	52,201	53,000	55,000
Repairs and Maintenance	14,691	17,000	24,000
Dues, Subscriptions and Training	4,117	16,000	-
Directors' Fees and Payroll Taxes	9,139	10,000	10,000
Payroll Services	-	6,000	7,000
Miscellaneous	303	500	500
Education and Outreach	8,062	8,000	60,000
Elections	5,239	391	-
Employee Expense	327,802	315,000	360,000
Total Water Expenditures - Administration	<u>637,907</u>	<u>652,115</u>	<u>758,600</u>
GROSS PROFIT FROM WATER OPERATIONS	1,094,778	910,272	706,890
WATER CAPITAL REVENUES			
System Development Fees	509,500	134,500	870,500
Tap Transfer Fees	4,200	-	-
Development Review	3,500	3,750	2,500
Miscellaneous	-	100,000	25,000
Inclusions and Cost Recovery	9,000	68,000	334,000
Contractual Payments from Hidden Valley	69,566	45,000	20,000
Proceeds from Water Meter Recycling	21,316	8,000	2,000
Proceeds from the Sale of Assets	8,175	17,769	5,000
Water Rights Purchase (Harriman Ditch Share)	-	240,000	-
Grants	3,354	58,500	655,000
CWRPDA Project Loan Proceeds	1,331,601	10,000	-
Total Water Capital Revenues	<u>1,960,212</u>	<u>685,519</u>	<u>1,914,000</u>
WATER EXPENDITURES - DEBT SERVICE			
2002 DWRP Project Loan Principal	127,511	-	-
2002 DWRP Project Loan Administrative Fees	3,631	-	-
2021 CWRPDA Loan Principal	41,910	72,871	74,939
2021 CWRPDA Loan Interest	39,309	66,557	64,489
Total Water Expenditures - Debt Service	<u>\$ 212,361</u>	<u>\$ 139,428</u>	<u>\$ 139,428</u>

No assurance provided. See summary of significant assumptions.

EVERGREEN METROPOLITAN DISTRICT
2024 WATER BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/2024

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
WATER EXPENDITURES - CAPITAL			
Main Replacements	\$ 23,367	\$ 40,000	\$ 370,000
Sediment Removal and Sediment Basin	-	1,934	-
Bell Park to Independence Mtn Water Main Ex.	-	5,559	-
Dam Outlet Structure Improvements	111,502	80,000	500,000
Dam Spillway	-	-	50,000
General, Office, Computer Equipment and Software	21,734	20,000	68,000
Hydraulic Water Model Analysis	-	15,846	-
Building and Improvements	40,289	-	112,000
Operations/Administration Maintenance Software	15,425	-	-
WTP Treated Water Pumping & Discharge Piping	881,059	-	-
Safety Equipment	8,502	-	-
Miscellaneous	33,682	50,000	50,000
Truck Replacements	28,914	33,020	-
Fire Hydrant Replacements	-	27,450	30,000
North Lake Trail System-EPRD	-	297,000	-
Hidden Valley Project	69,566	45,000	20,000
Water Rights Purchase (Harriman Ditch Share)	116	149,040	-
Wastewater Taps	161,000	80,500	80,500
Telemetry Radio Network Upgrade	7,588	18,000	20,000
SCADA Upgrade	-	-	65,000
Distribution System Pressure Monitoring	-	-	10,000
Turbidimeter Replacement	5,170	-	-
Water Treatment Plant Equipment	-	-	103,000
Membrane Vertical Flocculator Motor Drive Replacement	9,870	-	-
Lookout Mountain Interconnect	39,523	30,000	800,000
Cellular Meter Project	1,740,860	123,888	25,000
Cyber Security Assessment/Upgrades	12,000	10,500	56,000
Development Review	7,488	12,000	12,000
C&D Equipment	23,730	45,000	120,500
Bulk Station Upgrade	-	-	55,000
Chemical Building	6,192	100,000	150,000
Process Control	-	-	5,000
Fire Mitigation/Tree Removal	-	-	30,000
Strategic Planning	-	-	14,000
Standards and Specs	-	-	38,000
Total Water Expenditures - Capital	<u>3,247,577</u>	<u>1,184,737</u>	<u>2,784,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(404,948)	271,626	(302,538)
WATER FUNDS AVAILABLE - BEGINNING OF YEAR	<u>4,986,877</u>	<u>4,581,929</u>	<u>4,853,555</u>
WATER FUNDS AVAILABLE - END OF YEAR	<u>\$ 4,581,929</u>	<u>\$ 4,853,555</u>	<u>\$ 4,551,017</u>

No assurance provided. See summary of significant assumptions.

**EVERGREEN METROPOLITAN DISTRICT
2024 WASTEWATER BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/26/2024

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
WASTEWATER OPERATING REVENUES			
Wastewater Treatment Charges	\$ 1,659,869	\$ 1,764,000	\$ 1,878,000
Pretreatment Revenue	53,652	53,000	56,400
Late Charges and Service Charges	1,410	1,400	2,000
Services to Districts	504,928	576,000	633,000
Service to Water Department	135,960	144,000	153,120
Services to Developers/Public	8,994	3,000	3,000
Connections and Inspections	3,426	3,000	1,600
Interest Income	81,981	300,000	250,000
Miscellaneous	1,489	3,000	3,000
Total Wastewater Operating Revenues	2,451,709	2,847,400	2,980,120
WASTEWATER OPERATING EXPENDITURES			
<u>Lift Stations</u>			
Supplies and Maintenance	9,854	20,000	35,000
Utilities	22,377	25,000	27,000
<u>Treatment Plant</u>			
Chemicals	41,983	45,000	50,000
Supplies and Maintenance	112,280	96,000	100,000
Power	117,961	120,000	132,000
Truck Expense	22,767	15,000	18,000
Laboratory	10,139	15,000	17,000
Safety	-	2,000	5,000
Employee Expense	853,393	951,000	953,000
<u>New Services, Environmental and Pretreatment</u>			
Supplies and Maintenance	5,874	7,300	11,000
Truck Expense	1,145	1,400	1,400
New Service Supplies	58	500	500
Safety	87	250	250
Bear Creek Watershed Dues	-	19,345	22,000
CDH Discharge Permit	4,630	4,630	5,000
Employee Expense	92,573	91,000	125,000
<u>Collection and Distribution</u>			
Supplies and Maintenance	11,748	12,000	13,000
Utilities & Telephone	3,572	6,000	6,500
Truck Expense	1,553	3,000	3,000
Equipment Maintenance Expense	27,244	24,000	30,000
Collection Expense	17,625	8,000	10,000
Safety	1,793	2,000	2,500
Employee Expense	189,802	222,000	255,000
<u>Sludge Processing</u>			
Biosolids Permit Fee	312	400	400
Landfill Expense/Sludge Disposal	181,487	180,000	198,000
Safety	2,801	100	100
Truck Expense	5,517	3,000	10,000
<u>Customer Service / Meter Reading & Billing</u>			
Supplies and Maintenance	1,307	4,000	4,000
Outsourcing / Billing	13,053	14,000	16,000
Employee Expense	40,791	43,000	47,000
Total Wastewater Operating Expenditures	\$ 1,793,726	\$ 1,934,925	\$ 2,097,650

No assurance provided. See summary of significant assumptions.

**EVERGREEN METROPOLITAN DISTRICT
2024 WASTEWATER BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/26/2024

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
WASTEWATER EXPENDITURES - ADMINISTRATION			
Auditing	\$ 5,340	\$ 3,750	\$ 3,900
Accounting	17,138	15,000	17,000
Insurance	42,763	56,750	62,000
Legal	17,988	26,000	26,000
Engineering	9,550	2,000	2,000
Office and Operating	14,483	16,000	17,000
Outside Services	37,868	41,000	45,000
Repairs and Maintenance	6,296	8,000	10,000
Miscellaneous	130	500	500
Dues, Subscriptions and Training	1,765	10,000	-
Directors' Fees and Payroll Taxes	3,917	4,000	4,000
Education and Outreach	3,479	4,000	38,000
Elections	2,245	167	-
Payroll Services	-	4,000	5,000
Employee Expense	140,314	134,000	155,000
Total Wastewater Expenditures - Administration	<u>303,276</u>	<u>325,167</u>	<u>385,400</u>
GROSS PROFIT FROM WASTEWATER OPERATIONS	354,707	587,308	497,070
WASTEWATER CAPITAL REVENUES			
System Development Fees	563,500	156,000	336,000
Tap Transfer Fees	4,200	-	-
Proceeds from the Sale of Assets	12,000	7,687	5,000
Development Review	-	2,500	1,250
Inclusions	-	5,000	10,000
Miscellaneous	-	52,000	25,000
Grants	5,435	2,146	2,000
Total Wastewater Capital Revenues	<u>585,135</u>	<u>225,333</u>	<u>379,250</u>
WASTEWATER EXPENDITURES - DEBT SERVICE			
WPCRF Loan Principal	88,259	89,584	91,842
WPCRF Loan Interest	15,078	13,391	11,133
Total Wastewater Expenditures - Debt Service	<u>103,337</u>	<u>102,975</u>	<u>102,975</u>

**EVERGREEN METROPOLITAN DISTRICT
2024 WASTEWATER BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/26/2024

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
WASTEWATER EXPENDITURES - CAPITAL			
Building and Improvements	17,267	-	26,000
General, Office, Safety and Computer Equipment	8,416	9,000	30,000
Operations/Administration Maintenance Software	6,941	-	-
Truck Replacements	33,864	17,780	-
Sewer Line Replacement	3,245	225,000	500,000
SCADA Upgrade	1,706	-	-
PLC's Upgrade	1,006	96,000	-
C&D Equipment	4,578	25,000	65,000
Greystone LS Upgrade	4,969	-	-
Troutdale LS Upgrade	97,989	-	-
Tanoa LS Upgrage	-	275,000	50,000
Backwash Pumps Replacements (4)	-	30,000	30,000
Anoxic / Anaerobic Walls	-	2,000	-
Collection Systems Flow Meter	11,009	-	-
Cyber Security Assessment	-	-	24,000
Skid Steers and Trailer	11,511	-	-
Replacement Mechanical Bar Screen in EMD Headworks	134,539	-	-
Centrifugal Blower & VFD's - Replacements	-	150,000	530,000
Process Control	-	7,000	-
Sand Filter Acuator Valves	-	8,000	32,000
Miscellaneous	58,851	50,000	50,000
Strategic Planning	-	-	6,000
BioSolids Dewatering	-	19,000	150,000
Standards and Specs	-	-	18,000
EI Pinal LS Upgrade	-	-	300,000
WWTP Equipment	-	-	85,000
Total Wastewater Expenditures - Capital	395,891	913,780	1,896,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	440,614	(204,114)	(1,122,655)
WASTEWATER FUNDS AVAILABLE - BEGINNING OF YEAR	5,756,870	6,197,484	5,993,370
WASTEWATER FUNDS AVAILABLE - END OF YEAR	\$ 6,197,484	\$ 5,993,370	\$ 4,870,715

No assurance provided. See summary of significant assumptions.

**EVERGREEN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Evergreen Metropolitan District (District), a quasi-municipal corporation and political subdivision of the state of Colorado was organized by order and decree of the District Court for Jefferson County and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Section 1, Colorado Revised Statutes). The District provides water and sanitation services and facilities within the jurisdictional boundaries of the District in Jefferson and Clear Creek counties of Colorado and in other areas in conjunction with other districts. The District derives its revenues principally from water and sewer service charges. The District entered into a cooperative agreement in 1980 with the City and County of Denver in which the District has the responsibility for the operation and maintenance of the Evergreen Lake and Evergreen Dam. The initial term of this agreement is 50 years and contains a provision for additional renewal period of 25 years upon mutual agreement by both parties.

The District is a consolidation of four districts, Evergreen Central Metropolitan District (ECMD), North Evergreen Metropolitan District (NEMD), Upper Bear Creek Water and Sanitation District (UBCWSD) and Evergreen Metropolitan District (EMD). The consolidation between NEMD and EMD became effective as of January 1, 1994. The consolidation between ECMD and EMD became effective as of July 1, 2002. The consolidation between UBCWSD and EMD became effective as of July 1, 2018.

The District has separate water and/or wastewater distribution, collection and service agreements with the following metropolitan, water and sanitation, or water districts: West Jefferson County, Kittredge, and Hidden Valley. The District also has separate water agreements with the Hiwan Country Club, the Red Rocks Country Club, and the Consolidated Mutual Water Company which allows for irrigation water to be furnished to the Hiwan Golf Course, the Red Rocks Golf Course, and the Consolidated Mutual Water Company, respectively.

Based upon the budget projections for the water and wastewater operations, less than ten percent of the revenue necessary to operate and provide water and wastewater services within the District will be in the form of grants from state and local government. And all other requirements of “enterprise” status, as that term is defined in Article X, Section 20, of the Colorado Constitution, are met by the water and wastewater operations of the District.

The water and wastewater functions of the District shall be considered an enterprise and shall be operated in accordance with the requirement of such status, as set forth in Article X, Section 20, of the Colorado Constitution, and Section 37-4.5-101, et seq., C.R.S. A resolution to recognize enterprise status is located in “related matters.”

On May 2, 2000, the District’s voters authorized the District to collect, retain and spend each year all revenue from all sources without regard to any limitations under TABOR and any other law. As a result of this voter approved revenue change and because the District had not assessed a property tax mill levy since 1990, the Board approved the elimination of its general (government) fund as of January 1, 2000. The general fund beginning reserve balance as of January 1, 2000 was transferred fifty (50) percent each to the water and wastewater funds. Following the consolidation with the ECMD, the District did not assess a property tax mill levy for fiscal year 2003, and as such, the general (government) fund of ECMD was also eliminated for the year ended 2003. It is the intent of the District to operate solely as an Enterprise.

**EVERGREEN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided (Continued)

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.

The District is governed by a five-member Board of Directors. The members of the Board are elected for staggered three-year terms.

Revenues

Water Operating Revenues

Water Sales

The District bills its customers monthly. Revenue for water service is mainly comprised of billings to residential and Commercial/Industrial customers. Tiered rates are assessed on each increment of 1,000 gallons.

Effective January 1, 2024 the Board approved the following water rates:

Usage Rate:

- Base rate: \$31.50
- Up to 3,800 gallons: \$2.73 per 1,000 gallons
- Over 3,800 gallons: \$3.63 per 1,000 gallons
- Over 7,600 gallons: \$7.26 per 1,000 gallons
- Over 11,400 gallons: \$10.89 per 1,000 gallons
- Over 15,200 gallons: \$14.52 per 1,000 gallons

Drought Penalty Rate Level 2:

- Up to 5,000 gallons: \$3.63 per 1,000 gallons
- Over 5,000: \$6.62 per 1,000 gallons
- Over 12,000 gallons: \$16.54 per 1,000 gallons

Drought Penalty Rate Level 3:

- Up to 5,000 gallons: \$3.63 per 1,000 gallons
- Over 5,000 gallons: \$13.23 per 1,000 gallons
- Over 7,500 gallons: \$33.08 per 1,000 gallons

Irrigation Only: From May 1 to October 31; cost is the same as residential and commercial rates per 1,000 gallons.

**EVERGREEN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Water Operating Revenues (Continued)

Water Lease Agreements

The District entered into a water agreement with the Hiwan Country Club. The Hiwan agreement dated January 16, 1991 allows Hiwan to irrigate the Hiwan Golf Course. The initial term of this agreement was ten years and on June 20, 1996 was extended for an additional twenty-five year period. Effective January 1, 2008, the 1996 agreement was terminated and an amended and restated water service agreement was entered into with a term of fifty years, terminating in 2058.

The District entered into a water lease agreement with the Red Rocks Country Club. The Red Rocks Country Club agreement dated December 23, 2010 allows Red Rocks to lease fully consumable water that EMD has deemed surplus in its accounts in Soda Lakes during the period from November 1 of any year through June 30 of the following year. The initial term of this agreement was ten years and on August 26, 2020 was extended for an additional five year period. Effective November 1, 2020, the 2010 agreement was terminated and an amended and restated water service agreement was entered into with a term of five years and shall be renewed annually thereafter for one year terms.

The District entered into a water lease agreement with the Consolidated Mutual Water Company for the period from January 1, 2021 until March 31, 2026, subject to automatic renewal for additional 5 year terms. The agreement allows Consolidated Mutual Water Company to lease fully consumable water that EMD has deemed surplus in its accounts in Soda Lakes during the term of the lease in an amount up to 20 acre-feet annually.

Vending Station and Hydrant

Water sales at the District's self-serve vending station in Kittredge and from hydrants.

Late Charges and Service Charges

Late charges and collection charges assessed on delinquent accounts and connect/disconnect fees. Service charges for billing administrative fees and meter maintenance fees.

Services to Developers/Public

Reimbursement for work performed by the District for developers and the general public.

Services to Districts

Contract management, bookkeeping, and administrative services performed under each respective contracting district's agreement.

Connections and Inspections

Reimbursement of costs and expenses of tapping into main lines and annual permit fees for the water vending station in Kittredge.

Interest Income

Interest earned on investments, savings accounts, and other interest-bearing assets.

Tower Leases

The District entered into land lease and site agreements as landlord with New Cingular Wireless, SBA, and Verizon Wireless for the operation of tenant communications facilities.

**EVERGREEN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Wastewater Operating Revenues

Wastewater Treatment Charges

Wastewater (sewage) treatment service charges rendered to Evergreen Metropolitan District customers. The 2024 rate structure is a flat \$58.00 per equivalent tap per month.

Pretreatment Revenue and Pretreatment Expenditures

A pretreatment program was developed to address illegal and unauthorized disposal of pollutants, and to limit the discharge of certain pollutants into the collections and treatment systems owned and/or operated by the District. The added costs associated with the pretreatment program will be recouped through increased rates to all wastewater customers and a monthly commercial pretreatment surcharge where appropriate.

Late Charges and Service Charges

Late charges and collection charges assessed on delinquent accounts and connect/disconnect fees. Service charges for billing administrative fees and meter maintenance fees.

Services to Districts

Contract management, bookkeeping, and administrative services performed under each respective contracting district's agreement. Also included is wastewater treatment plant operations management, supervision, maintenance, capital projects, collections maintenance, sewer jetting, and sludge hauled for contracting districts

Services to Developers/Public

Reimbursement for work performed by the District for developers and the general public.

Connections and Inspections

Reimbursement of costs and expenses of tapping into main lines.

Interest Income

Interest earned on investments, savings accounts, and other interest-bearing assets.

Water Capital Revenue

System Development Fees

Tap fees charged customers for connecting to the water system. The current rate structure is:

- Single Family Dwelling: For unit size greater than 1,250 square feet, \$24,000 per tap for water. For unit size less than 1,250 square feet, \$12,000 per tap for water.
- Multi-unit Dwelling: For unit size greater than 2,000 square feet, \$24,000 per tap for water. For unit size 1,250 – 2,000 square feet, \$20,000 per tap for water. For unit size less than 1,250 square feet, \$12,000 per tap for water.
- Non-Residential Commercial Rate Structure: \$24,000 each water tap. Each tap equals 7,600 gallons.
- The District adopted a one percent (1%) declining rate discount for non-residential taps after the first tap with a ten percent (10%) maximum discount rate for multiple taps which became effective on May 28, 2014.

**EVERGREEN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Wastewater Capital Revenue

System Development Fees

Tap fees charged customers for connecting to the wastewater system. The current rate structure is:

- Single Family Dwelling: For unit size greater than 1,250 square feet, \$24,000 per tap for wastewater. For unit size less than 1,250 square feet, \$12,000 per tap for wastewater.
- Multi-unit Dwelling: For unit size greater than 2,000 square feet, \$24,000 per tap for wastewater. For unit size 1,250 – 2,000 square feet, \$20,000 per tap for wastewater. For unit size less than 1,250 square feet, \$12,000 per tap for wastewater.
- Non-Residential Commercial Rate Structure: \$24,000 each wastewater tap.
- The District adopted a 1% declining rate discount for non-residential taps after the first tap with a 10% maximum discount rate for multiple taps which became effective on May 28, 2014.

Contractual Contributions

In accordance with agreements with West Jefferson County Metropolitan District, a proportionate share of management and administrative services, planned projects and equipment costs are reimbursed to the District. This account reflects the additional costs recovered from the contributing district.

Resolution Authorizing Sale and Purchase of Wastewater Taps and Credit For Interfund Loan

The Board adopted a Resolution dated June 24, 2009 for the purchase of 220 wastewater taps by the Water Fund for the water treatment plant waste flow to the wastewater treatment plant. The Water Fund will purchase seven wastewater taps annually over a period of 20 years, and the purchase price of the taps will be at \$11,500 per tap. In 2009, the Water Fund purchased 81 taps at a cost of \$891,000, and the Wastewater Fund credited \$882,307 from such sale to repay the total outstanding interfund loan made June 1, 2005 from the Water Fund to Wastewater Fund. The obligation to purchase taps will be subject to annual appropriation. The 2024 wastewater (sewage) treatment service charge is a flat \$58.00 per equivalent tap per month.

Expenditures

Water Expenditures

Source of Supply

Costs for operating and maintaining Evergreen Lake, the dam, the stream inlet, the outlet works, and associated facilities. This includes water rights maintenance, engineering, Hodgson Ditch fees, Soda Lakes fees, materials, and supplies.

Water Treatment Plant

Materials, supplies, and services to operate the Evergreen Water Treatment Plant.

**EVERGREEN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Water Expenditures (Continued)

Distribution System

Materials, supplies, and services to operate the water collection and distribution system, pump stations, and related facilities.

New Services, Environmental and Pretreatment

These accounts represent the cost of labor and expenses incurred for the contract management of utility installations, the management of services for customer purchases of taps, and the management of pretreatment and environmental matters for the District.

Customer Service/Meter Reading and Billing

These accounts represent the cost of labor and expenses incurred for billing, meter reading, equipment, and repairs, including connections.

Administration

Expenses incurred by the Administration Division, including outside services, office supplies, and operating expenses.

Employee Expense

The District provides the following benefits: family health insurance, disability insurance, life insurance, pension plan, FICA contribution, vacation plan, and sick leave benefits.

- Water Treatment Plant - General Manager and Water Division employee salaries, benefits, and payroll taxes. The Water Division includes the Water Treatment Plant employees. The General Manager's salary, benefits, and payroll taxes are charged 50 percent to the water budget and 50 percent to the wastewater budget.
- Collection and Distribution – employee expenses are charged 65 percent to the water budget and 35 percent to the wastewater budget.
- Customer Service/Meter Reading and Billing - Meter Reading Technician employee expenses are charged 100 percent to the water budget and Billing Specialist employee expenses are charged 50 percent to the water budget and 50 percent to the wastewater budget.
- New Services, Environmental, and Pretreatment – Manager's employee expenses and the employee's expenses are charged 70 percent to the water budget and 30 percent to the wastewater budget.
- Administration - Employee expenses are charged 70 percent to the water budget and 30 percent to the wastewater budget. Certain administration expenses are billed directly to other districts, and are reported as revenue elsewhere in this budget.

**EVERGREEN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Water Expenditures – Debt Service

Drinking Water Revolving Fund – 2021 Loan

On May 18, 2021 the District entered into a loan agreement with the CWRPDA to obtain a \$3,000,000 loan through the State of Colorado Drink Water Revolving Fund Program for the purposes of constructing a new high service pump station, improvements to the existing treatment plant including demolition of the solids pump station, installation of a new water main connection to the distribution system, and installation of a parallel water main to serve the south end of the system. The 2021 Loan has a 30-year term with an effective interest rate of 2.25% and is payable semi-annually on May 1 and November 1, beginning May 1, 2022. Pursuant to the loan agreement, the District shall maintain an operation and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation, of the water fund's annual budget for the current fiscal year.

Wastewater Expenditures

Collection System

Costs incurred in the operation and maintenance of sewer lines, pump stations, and related facilities.

Treatment Plant

Cost of materials, supplies, and services to operate the Evergreen wastewater treatment plant.

Sludge Processing

Materials used and expenses incurred for the processing and disposal of treatment plant sludge.

Administration

Expenses incurred by the Administration Division including outside services, office supplies, and operating expenses.

Employee Expense

The District provides the following benefits: family health insurance, disability insurance, life insurance, pension plan, FICA contribution, vacation plan, and sick leave benefits.

- General Manager and Wastewater Division employees salaries, benefits and payroll taxes. The General Manager's salary, benefits, and payroll taxes are charged 50 percent to the water budget and 50 percent to the wastewater budget.
- Administration Division – employee expenses are charged 70 percent to the water budget and 30 percent to the wastewater budget. Certain administration expenses are billed directly to other districts, and are reported as revenue elsewhere in this budget.

**EVERGREEN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Wastewater Expenditures – Debt Service

Water Pollution Control Revolving Fund – 2009 Loan

The District obtained a loan totaling \$2,000,000 from the CWRPDA through the Water Pollution Control Revolving Fund Program for the purpose of removing and replacing the twin tee roof, concrete block wall and blower room roof of the District's secondary wastewater treatment plant. The loan agreement between the District and CWRPDA, dated July 24, 2009, has an interest rate of 2.00% for 20 years. The 2009 Loan is payable semi-annually on May 1 and November 1.

Capital Expenditures

Accounts include system improvements, upgrades, purchases of new equipment and replacements.

This information is an integral part of the budget.

EVERGREEN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Year Ending December 31,	Wastewater		Water	
	Loan No. F09F040		Loan No. D21F040	
	Colorado Water Resources and Power Development Authority Water Pollution Control Revolving Fund Direct Loan Program Series 2009 Rate of 2.00%		Colorado Water Resources and Power Development Authority Drinking Water Revolving Fund Leveraged Loan Program Series 2021 Rate of 2.25%	
	Principal and Interest Payable May 1 and November 1		Principal and Interest Payable May 1 and November 1	
	Principal	Interest	Principal	Interest
2024	\$ 91,842	\$ 11,133	\$ 74,939	\$ 64,489
2025	93,688	9,287	76,635	62,793
2026	95,571	7,404	78,369	61,059
2027	97,492	5,483	80,142	59,286
2028	99,452	3,523	81,955	57,473
2029	101,451	1,524	83,810	55,619
2030	-	-	85,706	53,722
2031	-	-	87,645	51,783
2032	-	-	89,628	49,800
2033	-	-	91,656	47,772
2034	-	-	93,730	45,698
2035	-	-	95,851	43,577
2036	-	-	98,020	41,408
2037	-	-	100,238	39,191
2038	-	-	102,506	36,923
2039	-	-	104,825	34,603
2040	-	-	107,197	32,231
2041	-	-	109,622	29,806
2042	-	-	112,103	27,326
2043	-	-	114,639	24,789
2044	-	-	117,233	22,195
2045	-	-	119,886	19,543
2046	-	-	122,598	16,830
2047	-	-	125,372	14,056
2048	-	-	128,209	11,219
2049	-	-	131,110	8,318
2050	-	-	134,076	5,352
2051	-	-	137,109	2,318
Total	<u>\$ 579,496</u>	<u>\$ 38,354</u>	<u>\$ 2,884,809</u>	<u>\$ 1,019,179</u>

No assurance provided. See summary of significant assumptions.