

MEMORANDUM

**To: BOARD OF DIRECTORS - SOUTHGATE SANITATION DISTRICT
GOVERNING BODY - SOUTHGATE WASTEWATER ENTERPRISE**

From: DUANE TINSLEY

Date: DECEMBER 1, 2011

RE: 2012 BUDGET

In accordance with the Colorado State Constitution and State Statutes, staff herewith transmits the final revised budget for 2012. This budget has been prepared on the basis of the accrual method of accounting and reflects the results of the October study session. A public hearing was conducted in November. The only changes since the November hearing were: 1) a slight adjustment in property tax revenues and county treasurer expenses and 2) an adjustment in interest earnings between the District and the Enterprise as a result of the final assessed valuations and final calculation of the Tabor limits.

Through these materials you will observe the following:

- "Reserve Available - Beginning" is a function of the 2011 beginning reserves, plus 2011 projected revenues, less 2011 projected expenditures. The Sanitation District "Reserve Available - Beginning" provides for emergency reserve, cash flow reserve, and reserve toward future capital equipment replacement. The Wastewater Enterprise "Reserve Available - Beginning" provides for capital improvements and capital replacements together with associated administrative costs.
- the District will fund its operations through property tax, specific ownership tax, interest earnings, a service charge collected through the City of Englewood, and miscellaneous income. The District will then be responsible for its proportionate share of sewer system administration and operations and possibly certain capital construction and capital rehabilitation.
- the Enterprise will fund its operations through system charges and interest income. The Enterprise will then be responsible for its proportionate share of sewer system administration and will be primarily responsible for new capital construction and for system rehabilitation.

In the aggregate these budgets provide for all functions, at a comparable level of service, historically provided by the Southgate Sanitation District and Wastewater Enterprise.

Revenues reflect a 3.5% increase in the system and service charges, a very conservative projection in the rate of single family equivalent additions to the system, portfolio earnings at 1%, property tax revenues as permitted by statutory and constitutional limitations (0.54 mill levy for operations and 0.023 mill levy for recovery

of abatements as permitted by law), and year 2011 experience for the remainder. (Amended as discussed at the October 28, 2011 work session.)

Expenditures, (amended as discussed at the October 28, 2011 work session), reflect even more conservative budgeting based upon 2010 and 2011 experience with:

- No new positions. Modest allowance for compensation adjustment for the existing personnel.
- Continued program emphasis on inspection of developer installed facilities, maintenance operations, odor control, grease investigation and enforcement, and on root control.
- Maintenance/Operations per 2011 experience with continued provision for contractor support in sewer video inspection, root foaming and sewer jetting.
- Special Project allowance for newsletter publication, election expenses, upgrade of engineering and accounting software, website maintenance, allowance for consultant support in Geographic Information System operation, office landscape/painting/parking improvements, and Drainage Authority fees.
- Expensed Equipment reflects an allowance for replacement of computers, replacement of several small printers and one laminator, and purchase of survey equipment.
- Capital Equipment reflects an allowance for upgrade of the file servers, replacement of one copier, and purchase of ten (10) additional sewer flow meters in support of the hydraulic modeling efforts.
- Funding for Capital improvements, including:
 - New - major emphasis on system modeling/master planning, large mains and Big Dry Creek Interceptor video/inspection in support of the asset management system, global positioning/survey in support of the system modeling and asset management programs, and a small reserve for emergency construction.
 - Rehabilitation/replacement - allowance for manhole rehabilitation.
- Contingency funds (3%) as required by Tabor with an extra amount for: 1) \$475,000 additional reserve for System Modeling, and 2) \$650,000 reserve for Kaiser basin sewer improvements participation. Funds will be expended from contingency only upon the express approval of the Board of Directors.

These budget proposals have been reviewed for, and found to be in, conformance with the Tabor and Statutory Tax limitations.

SOUTHGATE SANITATION COMBINED
2012 REVISED 12/1/11

RESERVE AVAIL. BEG.	\$28,924,892	\$28,939,952	\$29,118,151	\$29,116,458
	2010 ACTUAL	2011 BUDGET	2011 PROJECTED	2012 BUDGET
OPERATIONAL				
Revenue				
Rates/Service Charges	0	105,848	93,409	110,495
Interest	675,006	506,449	479,697	300,000
Project Participation - Oper	0	5,000	1,500	1,500
Property Taxes	830,545	879,188	844,490	788,685
Specific Ownership Tax	56,411	50,000	48,122	50,000
Plan Review/Inspection	12,125	10,000	35,850	36,000
Misc. Income	13,175	12,500	5,850	12,500
Interest Allocation to Capital	-308,546	0	0	0
Total Revenue - Operations	\$1,278,716	\$1,568,985	\$1,508,917	\$1,299,180
Expenses				
Administrative & Operations Expenses				
Accounting/Audit/Finance	24,948	29,000	29,000	30,450
BDCI - O&M	0	0	0	0
Portfolio Mgt.	20,663	21,000	18,867	5,000
Conferences/Seminars	15,556	47,825	21,828	39,000
County Treasurers Fees	12,474	17,584	16,830	15,774
Director Fees	7,700	8,000	7,800	7,800
Employee Compensation	544,392	622,992	547,538	599,951
Engineering	16,210	63,000	7,859	40,000
Insurance	47,462	45,000	45,000	48,000
Legal	6,705	24,000	4,836	20,000
Maint/Operations	366,094	520,000	404,519	413,000
Office/Misc.	67,701	91,000	80,969	77,250
Special Projects Expensed	65,540	175,650	97,533	117,000
Equipment (Expensed)	4,033	32,900	24,400	15,900
Utilities	23,996	30,000	23,214	30,000
Subtotal Admin & Ops	\$1,223,474	\$1,727,951	\$1,330,192	\$1,459,125
Contingency	\$0	\$84,137	\$0	\$28,143
Total Expenses - Operations	\$1,223,474	\$1,812,087	\$1,330,195	\$1,487,267
Excess/Deficit - Operations (Excl Contingency)	\$55,242	-\$158,965	\$178,722	-\$159,944
CAPITAL				
Revenue				
System Charges	904,389	384,900	269,800	398,400
Project Participation - Capital	0	0	0	245,850
BDCI Refund	59,711	62,000	59,711	59,711
Interest Allocation from Operations	308,546	0	0	0
Total Revenue - Capital	\$1,272,646	\$446,900	\$329,511	\$703,961
Expenses				
Capital Outlay				
Equipment (Capitalized)	9,152	40,250	22,425	58,750
Capital Projects (New/Rehab)	1,125,477	1,338,500	487,500	1,314,300
Contingency	\$0	\$90,155	\$0	\$1,164,429
Total Expenses - Capital	\$1,134,629	\$1,468,904	\$509,926	\$2,537,478
Excess/Deficit - Capital (Excl Contingency)	\$138,017	-\$931,849	-\$180,415	-\$669,088
RESERVE AVAIL. END	\$29,118,151	\$27,674,846	\$29,116,458	\$27,094,854

SOUTHGATE SANITATION COMBINED
-2012 DETAIL-
(12/1/11)

RESERVES - BEGINNING

29,118,151	2011 Beginning	
1,838,428	Plus 2011 Projected Revenues	
-1,840,121	Less 2011 Projected Expenses	
\$29,116,458	Total Beginning Reserves	

OPERATIONAL

Revenue		District	Enterprise	
110,495	RATES & SERVICE CHARGES	100%		Collected through the City of Englewood \$5.50 (3.5% increase) x 20,090 SFE
300,000	INTEREST INCOME	Per Tabor	Per Tabor	Beginning Reserves x 1%
1,500	PROJECT PARTICIPATION - OPER	100%		1,500 BDCI reimbursement - O&M
788,685	PROPERTY TAXES	100%		O&M & Abatements - per Tabor
50,000	SPECIFIC OWNERSHIP TAX	100%		Per trend evaluation
36,000	PLAN REVIEW/INSPECTION	100%		Per trend evaluation
12,500	MISC. INCOME	100%		Per trend evaluation
0	INTEREST ALLOCATION TO CAPITAL	100%		Per trend evaluation
\$1,299,180	Total Revenue - Operations			
Expenses		District	Enterprise	
30,450	ACCOUNTING & AUDIT	33%	67%	30,450 Audit
0	BDCI O&M	100%		
5,000	PORTFOLIO MANAGEMENT	33%	67%	5,000 Portfolio Management
39,000	CONFERENCES/SEMINARS	100%		1,500 WEF Memberships (Mgr/Eng/5 Dirs) 200 Professional Engineer Fees 300 APWA Membership 250 GITA Membership 20,000 National Conf. 5 @ \$4,000 8,750 State Conf. 5 @ \$1,500 4,000 Local Seminars 8 @ \$500 4,000 Operator Train/Cert 8 @ \$500
15,774	COUNTY TREASURERS' FEES	100%		15,833 Per propert tax calculations
7,800	DIRECTORS' FEES	100%		5 @ \$100/subject to \$1,600 max each
599,951	EMPLOYEE COMPENSATION	33%	67%	461,026 Salary/Wages (No new positions) 41,244 Taxes 88,181 Benefits 1,000 Schooling 2,000 Recruitment 6,000 Certification Compensation 500 Reward Program
40,000	ENGINEERING	33%	67%	15,000 Technical Consultation 25,000 Backup as Req. Plan Review/Insp
48,000	INSURANCE	33%	67%	48,000 Property/liability/officials
20,000	LEGAL	33%	67%	2,000 Routine Representation 2,000 Rules & Regulations 15,000 Contracts
413,000	MAINT/OPERATIONS	100%		1,000 Devel. Easements/Inclusions 6,500 Tools 10,000 Man holes 5,000 Main line repairs 28,000 Building maintenance 25,000 Vehicle operation/maintenance 10,000 Jet truck & water consumption 7,000 Uniforms 5,000 Line cleaning 5,000 Communications 6,500 Safety 6,000 Video expenses 55,000 Odor Control Chemical & Parts 100,000 Contract Video Inspection 60,000 Contract Root Foam 1,500 Grease Interceptor Enforcement 75,000 Contract Line Cleaning 7,500 Misc. Materials & Supplies
77,250	OFFICE/MISC.	33%	67%	23,000 Supplies, expenses, transport, etc. 1,500 Accounting Software Support 2,650 Payroll Services 1,500 Field Inspection Supplies 500 CADD Supplies 4,500 Bank Charges

		District	Enterprise	
117,000	SPECIAL PROJ. EXPENSED	100%		500 PC Maintenance 1,000 CADD Reproduction 36,400 Network Admin/Maint 1,500 GIS Admin/Maint 1,500 Database Management 2,700 Other (e.g. Server Warranties) 15,000 Newsletter 10,000 Specifications 15,000 Election 20,000 Eng Software & Support 2,500 Accounting Software & Support 5,000 Odor Control Monitoring 250 Website Hosting & Maintenance 17,850 GIS Support & Data Entry 2,500 Office Landscape 22,500 Office Painting/Flooring/Parking 4,500 Flow Meter Calibration 1,500 Operations (Software/Support/Reference) 400 Drainage Authority Fees 4,000 General Computer Replace (50%) 4,600 Upgrade Eng. Computers (50%) 2,500 Upgrade Ops. Computers (50%) 600 ice Maker (50%) 950 Admin Printer & Laminator Replace (50%) 750 Eng Survey Equipment (50%) 2,500 Flow Meter Parts 30,000 Gas, electric and telephone
15,900	EQUIPMENT - EXPENSED	100%		
30,000	UTILITIES	100%		
\$28,143	CONTINGENCY/TABOR EMERG.	Per Tabor	Per Tabor	3.0% per Tabor
\$1,487,267	Total Expenses - Operations			
-\$159,944	Excess/Deficit - Operations (Excl Contingency)			

CAPITAL

Revenue		District	Enterprise	
398,400	SYSTEM CHARGES		100%	\$3,984 per SFE (3.5% increase) x 100 SFE
245,850	PROJECT PARTICIPATION - CAPITAL		100%	None
59,711	BIG DRY CREEK LOAN INTEREST		100%	Per loan documents
0	INTEREST ALLOCATION FROM OPS		100%	Per trend evaluation
\$703,961	Total Revenue - Capital			
Expenses		District	Enterprise	
58,750	CAPITAL EQUIPMENT	100%		5,000 Upgrade File Servers (50%) 8,750 Replace Photo Copier (50%) 45,000 10 Sewer Flow Meters
1,314,300	CAPITAL PROJECTS		100%	NEW: 475,000 System Modeling/Master Planning 493,450 Large Mains Video/Inspection 245,850 BDCI Video/Inspection (Reimbursable) 50,000 Global Positioning/Survey 20,000 Reserve for Emergency Construction 1,284,300 New Capital Subtotal
1,164,429	CONTINGENCY/TABOR EMERG.	Per Tabor	Per Tabor	REHAB: 30,000 Manhole Rehabilitation 30,000 Rehab Capital Subtotal 3.0% per Tabor, plus: \$475,000 reserve for System Modeling \$650,000 reserve Kaiser Basin Participation
\$2,537,478	Total Expenses - Capital			
-\$669,088	Excess/Deficit - Capital (Excl Contingency)			

RESERVES - ENDING

29,116,458	2012 Beginning,
2,003,141	Plus 2012 Projected Revenues
-4,024,745	Less 2012 Projected Expenses
\$27,094,854	Total Ending Reserves

SOUTHGATE SANITATION DISTRICT
2012 REVISED 12/1/11

RESERVE AVAIL. BEG.	\$11,289,815	\$11,969,875	\$12,090,395	\$12,800,229
	2010 ACTUAL	2011 BUDGET	2011 PROJECTED	2012 BUDGET
OPERATIONAL				
Revenue				
Rates/Service Charges	0	105,848	93,409	110,495
Interest	633,136	508,090	541,405	643,069
Project Participation - Oper	0	5,000	1,500	1,500
Property Taxes	830,545	879,188	844,490	788,685
Specific Ownership Tax	56,411	50,000	48,122	50,000
Plan Review/Inspection	12,125	10,000	35,850	36,000
Misc. Income	13,175	12,500	5,850	12,500
Interest Allocation to Capital	0	0	0	0
Total Revenue - Operations	\$1,545,392	\$1,570,626	\$1,570,625	\$1,642,249
Expenses				
Administrative & Operations Expenses				
Accounting/Audit/Finance	8,233	9,570	9,570	10,049
BDCI - O&M	0	0	0	0
Portfolio Mgt.	6,819	6,930	6,226	1,650
Conferences/Seminars	15,556	47,825	21,828	39,000
County Treasurers Fees	12,474	17,584	16,830	15,774
Director Fees	7,700	8,000	7,800	7,800
Employee Compensation	179,649	205,587	180,688	197,984
Engineering	5,349	20,790	2,593	13,200
Insurance	15,662	14,850	14,850	15,840
Legal	2,213	7,920	1,596	6,600
Maint/Operations	366,094	520,000	404,519	413,000
Office/Misc.	22,341	30,030	26,720	25,493
Special Projects Expensed	65,540	175,650	97,533	117,000
Equipment (Expensed)	4,033	32,900	24,400	15,900
Utilities	23,996	30,000	23,214	30,000
Subtotal Admin & Ops	\$735,660	\$1,127,636	\$838,368	\$909,289
Contingency	0	84,137	0	28,143
Total Expenses - Operations	\$735,660	\$1,211,773	\$838,368	\$937,432
Excess/Deficit - Operations (Excl Contingency)	\$809,732	\$442,989	\$732,258	\$732,960
CAPITAL				
Revenue				
System Charges	0	0	0	0
Project Participation - Capital	0	0	0	0
BDCI Refund	0	0	0	0
Interest Allocation from Operations	0	0	0	0
Total Revenue - Capital	\$0	\$0	\$0	\$0
Expenses				
Capital Outlay				
Equipment (Capitalized)	9,152	40,250	22,425	58,750
Capital Projects (New/Rehab)	0	0	0	0
Contingency	\$0	\$0	\$0	\$0
Total Expenses - Capital	\$9,152	\$40,250	\$22,425	\$58,750
Excess/Deficit - Capital (Excl Contingency)	-\$9,152	-\$40,250	-\$22,424	-\$58,750
RESERVE AVAIL. END	\$12,090,395	\$12,288,477	\$12,800,229	\$13,446,295

SOUTHGATE WASTEWATER ENTERPRISE
2012 REVISED 12/1/11

RESERVE AVAIL. BEG.	\$17,635,077	\$16,970,077	\$17,027,756	\$16,316,233
	2010 ACTUAL	2011 BUDGET	2011 PROJECTED	2012 BUDGET
OPERATIONAL				
Revenue				
Rates/Service Charges	0	0	0	0
Interest	41,870	-1,641	-61,708	-343,070
Project Participation - Oper	0	0	0	0
Property Taxes	0	0	0	0
Specific Ownership Tax	0	0	0	0
Plan Review/Inspection	0	0	0	0
Misc. Income	0	0	0	0
Interest Allocation to Capital	-308,546	0	0	0
Total Revenue - Operations	-\$266,676	-\$1,641	-\$61,709	-\$343,070
Expenses				
Administrative & Operations Expenses				
Accounting/Audit/Finance	16,715	19,430	19,430	20,402
BDCI - O&M	0	0	0	0
Portfolio Mgt.	13,844	14,070	12,641	3,350
Conferences/Seminars	0	0	0	0
County Treasurers Fees	0	0	0	0
Director Fees	0	0	0	0
Employee Compensation	364,743	417,404	366,851	401,967
Engineering	10,861	42,210	5,266	26,800
Insurance	31,800	30,150	30,150	32,160
Legal	4,492	16,080	3,240	13,400
Maint/Operations	0	0	0	0
Office/Misc.	45,360	60,970	54,249	51,758
Special Projects Expensed	0	0	0	0
Equipment (Expensed)	0	0	0	0
Utilities	0	0	0	0
Subtotal Admin & Ops	\$487,814	\$600,314	\$491,827	\$549,836
Contingency	\$0	\$0	\$0	\$0
Total Expenses - Operations	\$487,814	\$600,314	\$491,827	\$549,836
Excess/Deficit - Operations (Excl Contingency)	-\$754,490	-\$601,955	-\$553,536	-\$892,906
CAPITAL				
Revenue				
System Charges	904,389	384,900	269,800	398,400
Project Participation - Capital	0	0	0	245,850
BDCI Refund	59,711	62,000	59,711	59,711
Interest Allocation from Operations	308,546	0	0	0
Total Revenue - Capital	\$1,272,646	\$446,900	\$329,510	\$703,961
Expenses				
Capital Outlay				
Equipment (Capitalized)	0	0	0	0
Capital Projects (New/Rehab)	1,125,477	1,338,500	487,498	1,314,300
Contingency	0	90,155	0	1,164,429
Total Expenses - Capital	\$1,125,477	\$1,428,655	\$487,497	\$2,478,729
Excess/Deficit - Capital (Excl Contingency)	\$147,169	-\$891,600	-\$157,987	-\$610,339
RESERVE AVAIL. END	\$17,027,756	\$15,386,367	\$16,316,233	\$13,648,560

ADOPTED AND APPROVED this 13th day of December, 2011.

SOUTHGATE SANITATION DISTRICT

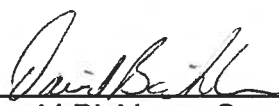
By: George MacDonald
George MacDonald, President

ATTEST:

By: David Bickham
David Bickham, Secretary

CERTIFICATION

I, David Bickham, Secretary of Southgate Sanitation District, Arapahoe and Douglas Counties, Colorado, do hereby certify that the above and foregoing is a true and accurate copy of the year 2012 Budget duly adopted and approved by the Board of Directors of said District at a regular meeting of the Board of Directors held at 3722 East Orchard Road, Centennial, Colorado 80121, on the 13th day of December, 2011.

By: 
David Bickham, Secretary



SOUTHGATE SANITATION DISTRICT
Arapahoe and Douglas Counties, Colorado

Resolution No. 11-02

A RESOLUTION INCREASING RESERVES FOR ADMINISTRATIVE EXPENSES, OPERATIONS AND CAPITAL OUTLAY.

WHEREAS, the Board of Directors believes that for the purposes of promoting sound fiscal management of the District it should increase existing reserves for administrative expenses, operations and capital outlay.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of Southgate Sanitation District, Arapahoe and Douglas Counties, Colorado, as follows:

Section 1. Existing District reserves for administrative expenses, operations and capital outlay shall be increased, effective as of December 31, 2011, in the amount of all unexpended, unreserved and unrestricted overall District revenues as of the close of business on that date, calculated using the same methods and assumptions used to calculate reserve increases within the meaning of Section 20, Article X, Colorado Constitution.

Section 2. Funds in any reserve may be transferred or expended, in whole or in part, in any future fiscal year by order of the Board of Directors, and any funds so transferred or expended shall not be included within the District's fiscal year spending for that year, within the meaning of Section 20, Article X, Colorado Constitution.

ADOPTED AND APPROVED this 13th day of December, 2011.

SOUTHGATE SANITATION DISTRICT

By: George J. MacDonald
George J. MacDonald, President

ATTEST:

By: David Bickham
David Bickham, Secretary

**SOUTHGATE SANITATION DISTRICT
Arapahoe and Douglas Counties, Colorado**

Resolution No. 11-03

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES AND ADOPTING A BUDGET FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2012, AND ENDING ON THE LAST DAY OF DECEMBER, 2012; AND APPROPRIATING SUMS OF MONEY FOR THE SAID YEAR.

WHEREAS, the District Manager submitted a proposed budget to the Board of Directors as required by law; and

WHEREAS, upon due and proper notice, published in accordance with applicable law, said proposed budget was open for inspection by the public at a designated public office within the District, a public hearing was held on November 8, 2011, and interested electors were given the opportunity to file any objections to said proposed budget; and

WHEREAS, no electors filed objections to the proposed budget; and

WHEREAS, the Board of Directors has made provision for revenues, together with reserves, in an amount equal to or greater than the total proposed expenditures, all as set forth in said budget; and

WHEREAS, it is necessary to appropriate the amounts provided in the budget to and for the purposes set forth below.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of Southgate Sanitation District, Arapahoe and Douglas Counties, Colorado, as follows:

Section 1. Estimated expenditures for the District, exclusive of estimated expenditures for the Southgate Wastewater Enterprise (the "Enterprise"), for the calendar year beginning on the first day of January 2012 and ending on the last day of December 2012 are \$966,180; estimated expenditures for the Enterprise for said year are \$3,028,565.

Section 2. Estimated revenues for the District, exclusive of estimated revenues for the Enterprise, for the said calendar year are as follows:

From unappropriated surplus	\$12,800,229
From non-general tax sources	803,564
From general taxes	<u>838,685</u>
Total	\$14,442,478

Estimated revenues for the Enterprise, for the said calendar year are as follows:	
From unappropriated surplus	\$16,316,233
From non-general tax sources	360,891
From general taxes	0
Total	\$16,677,124

Section 3. The budget as submitted, amended, and herein above summarized, is hereby approved and adopted in the form attached to this Resolution and incorporated herein by reference as the adopted Budget of the District for the said calendar year.

Section 4. The adopted Budget shall be signed by the President and Chairman of the Board of Directors and made a part of the public records of the District.

Section 5. The Secretary is hereby directed to file a certified copy of the adopted Budget in the office of the Division of Local Government in the Department of Local Affairs, as provided by the laws of the State of Colorado.

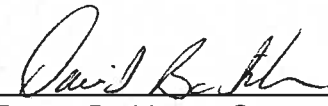
Section 6. The sum of \$14,442,478 is hereby appropriated from the revenues and reserves of the District for Administration, Operations, and Capital Outlay, (including reserves), for the said calendar year; the sum of \$16,677,124 is hereby appropriated from the revenues and reserves of the Enterprise for Administration and Capital Outlay, (including reserves), for the said calendar year. The sum of \$31,119,602 is appropriated for said purposes as the consolidated total appropriation for the District overall.

ADOPTED AND APPROVED, this 13th day of December, 2011.

SOUTHGATE SANITATION DISTRICT

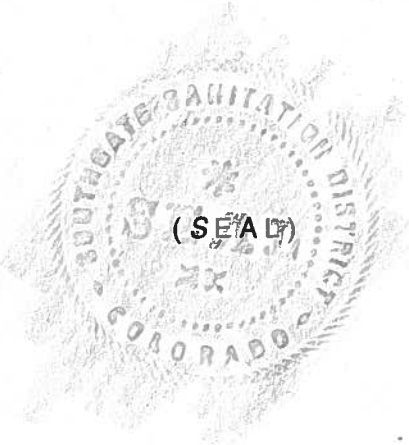
By: 
George J. MacDonald, President

ATTEST:

By: 
David Bickham, Secretary

CERTIFICATION

I, David Bickham, do hereby certify that I am Secretary of the Southgate Sanitation District, Arapahoe and Douglas Counties, Colorado, and that the foregoing Resolution was adopted and approved at a regular meeting of the Board of Directors of the District held December 13, 2011.





David Bickham, Secretary

**SOUTHGATE SANITATION DISTRICT
Arapahoe and Douglas Counties, Colorado**

Resolution No. 11-04

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2011, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE SOUTHGATE SANITATION DISTRICT FOR THE 2012 BUDGET YEAR.

WHEREAS, the Board of Directors of the Southgate Sanitation District held a Public Hearing on the proposed 2012 Budget on November 8, 2011 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$756,465; and

WHEREAS, the amount of money necessary to recover prior year abatements is \$32,220; and

WHEREAS, the 2011 valuation for assessment for the Southgate Sanitation District as certified by the Assessors of the Counties of Arapahoe and Douglas is \$1,400,861,020; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Southgate Sanitation District, Arapahoe and Douglas Counties, Colorado, as follows:

Section 1. For the purpose of meeting all general operating expenses of the Southgate Sanitation District during the 2012 budget year, there is hereby levied a tax of 0.540 mills (operating expenses) upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2011.

Section 2. For the purpose of recovering prior year abatements, as authorized by law, there is hereby levied a tax of 0.023 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2011.

Section 3. The Secretary is hereby authorized and directed to certify to the County Commissioners of Arapahoe and Douglas Counties, Colorado, the mill levy for the Southgate Sanitation District as determined and set forth above.

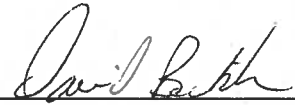
Section 4. The District hereby certifies that the mill levies established herein are in compliance with all statutory and constitutional requirements and limitations.

ADOPTED AND APPROVED this 13th day of December, 2011.

SOUTHGATE SANITATION DISTRICT

By: 
George J. MacDonald, President

ATTEST:

By: 
David Bickham, Secretary

CERTIFICATION

I, David Bickham, do hereby certify that I am Secretary of the Southgate Sanitation District, Arapahoe and Douglas Counties, Colorado, and that the foregoing Resolution was adopted and approved at a regular meeting of the Board of Directors of the District held December 13, 2011.





David Bickham, Secretary

**SOUTHGATE SANITATION DISTRICT
ARAPAHOE AND DOUGLAS COUNTIES, COLORADO
RESOLUTION NO. 11-05**

**A RESOLUTION AMENDING THE RULES AND REGULATIONS OF THE
SOUTHGATE SANITATION DISTRICT AND ESTABLISHING RATES, FEES AND
CHARGES**

WHEREAS the District maintains, and may from time to time amend, Rules and Regulations; and

WHEREAS Section 32-1-1001(1)(j), CRS, authorizes the Board of Directors of the Southgate Sanitation District "to fix, and from time to time, increase or decrease fees, rates, tolls, penalties, and charges for services, programs or facilities furnished" by the District; and

WHEREAS the Board of Directors of the Southgate Sanitation District has revised its Rules and Regulations which now authorize the Board to periodically establish by resolution its various rates, fees and charges as may be authorized by law or by the duly adopted Rules and Regulations; and

WHEREAS the public interest, health, safety and welfare are served by the establishment of such fees, rates, tolls, penalties and charges which adequately provide for the costs and expenses incurred by the District as well as to provide for sufficient reserves and cash flows to ensure the efficiency of operation of the District;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
SOUTHGATE SANITATION DISTRICT THAT:**

1. The attached schedule of fees, rates, tolls, penalties and charges is hereby adopted effective January 1, 2012 and shall be utilized by the District's staff and administration in the daily operations of the District.
2. This Resolution shall remain in full force and effect until amended by further resolution of the Board of Directors.
3. In the event that any one or more particular fee, rate, toll, penalty or charge is held to be invalid for any reason by any court of competent jurisdiction, all such remaining fees, rates, tolls, penalties or charges shall remain in full force and effect.

Dated: December 13, 2011

SOUTHGATE SANITATION DISTRICT

By: 
George J. MacDonald, President

ATTEST:
(seal)



David Bickham, Secretary

SOUTHGATE SANITATION DISTRICT

Section

- 6-13-2(d) Reimbursement application Fee: \$250
- 7-2-1(A) System Charge: \$3,984 (per SFE)
- 7-2-1(G) Administrative fee: 100 (Single Family - attached
or detached - per tap)
\$250 (All Other - per tap)
- 7-3 Main extension review fee: \$2.50 per linear foot of main or
\$1,000 whichever is greater
- 7-4 Inspection fee/special situations: [as determined to cover cost]
- 7-5-1 Service charges: Billed annually by the City of Englewood

Tap Size	SFEs	Service Charge
5/8" & 3/4"	1	\$5.50
1" & 1.25"	2	\$11.00
1.5"	4	\$22.00
2"	8	\$44.00
3"	18	\$99.00
4"	36	\$198.00
6"	94	\$517.00

- 7-6-1 Inclusion processing fee: \$375
- 7-6-2 Inclusion per acre fee: \$100
- 7-7 Swimming Pool Permit Fee: .. \$150
- 7-8 Special Services/Reimbursement Fees:
..... [as set forth in Rules and Regulations]
- 9 Penalty charges: [as set forth in Rules and Regulations]

CERTIFICATION OF TAX LEVIES

District Id: 4630

SOUTHGATE SANITATION DISTRICT

TO: County Commissioners of Arapahoe County, Colorado

For the year 2011, the Board of Directors of the
(governing body)

Southgate Sanitation District hereby certifies a total levy of 0.563 mills
(unit of government)

to be extended by you upon the total assessed valuation of \$ 878,385,500

to produce \$ 494,531 in revenue.

The levies and revenues are for the following purposes:

	LEVY		REVENUE
1. General Operating Expense	<u>0.540</u>	mills	\$ <u>474,328</u>
2. Refund / Abatements	<u>0.023</u>	mills	\$ <u>20,203</u>
3. Temporary Tax Credit or Rate Reduction (minus)	< <u>—</u>	> mills	\$ < <u>—</u>
SUBTOTAL	<u>0.563</u>	mills	\$ <u>494,531</u>
4. General Obligation Bonds and Interest			
a. See attached description	<u>—</u>	mills	\$ <u>—</u>
b. See attached description	<u>—</u>	mills	\$ <u>—</u>
SUBTOTAL	<u>—</u>	mills	\$ <u>—</u>
5. Contractual Obligations Approved at election			
a. See attached description	<u>—</u>	mills	\$ <u>—</u>
b. See attached description	<u>—</u>	mills	\$ <u>—</u>
SUBTOTAL	<u>—</u>	mills	\$ <u>—</u>
6. Capital Expenditures levied pursuant to 29-1-301(1.2) or 29-1-302(1.5) C.R.S.	<u>—</u>	mills	\$ <u>—</u>
7. Other (specify)	<u>—</u>	mills	\$ <u>—</u>
<u>Total</u>	<u>0.563</u>	mills	\$ <u>494,531</u>

Contact Person: Dwight Tinsley - Manager Daytime Telephone Number 303-713-7742

Signed: George A. MacDonald (MacDonald) Title President & Chairman

NOTE: Certification must be to three decimal places only.
Send copy to the Division of Local Government

IF YOU ARE LOCATED IN MORE THAN ONE COUNTY, PLEASE LIST ALL COUNTIES HERE:

Arapahoe & Douglas

CERTIFICATION OF TAX LEVIES

District Id: 4630

SOUTHGATE SANITATION DISTRICT

Please submit the following information for each general obligation bond:

Purpose of Issue _____ *N/A* _____ Series _____
Date of Issue _____ *N/A* _____ Coupon Rate _____
Maturity Date _____ *N/A* _____
Levy: _____ Revenue: _____

(Show here and on line 4 of Page 1)

Please submit the following information for each contractual obligation:

Title _____ *N/A* _____
Date of Approval _____ *N/A* _____ Principal Amount _____
Maturity Date _____ *N/A* _____
Levy: _____ Revenue: _____

(Show here and on line 5 of Page 1)

The above information is required by 32-1-1603 C.R.S.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.
On behalf of the Southgate Sanitation District (taxing entity)^A
the Board of Directors (governing body)^B
of the Southgate Sanitation District (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 522,475,520 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ N/A (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/14/11 for budget/fiscal year 2012 (not later than Dec. 15) (mm/dd/yyyy) (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY², and REVENUE². Rows include General Operating Expenses, Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction, General Obligation Bonds and Interest, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other. Total: 0.563 mills, \$ 294,154.

Contact person: (print) Duane Tinsley - Manager Daytime phone: (303) 713-7742
Signed: George MacDonald (George J. MacDonald) Title: President & Chairman

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

1 If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
2 Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: _____ *N/A*
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____ *N/A*
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.