



**UPPER BLUE SANITATION DISTRICT
2025 BUDGET**

Adopted December 12, 2024

2025

BUDGET SUMMARY

2024 Estimated Year End

Beginning funds available	\$ 35,850,096.00
Transfer from Reserves	\$ (3,586,808.00)
ENDING FUNDS (Estimated)	<u>\$32,267,898.00</u>

2025 Estimated Year End

Beginning funds available	<u>\$32,267,898.00</u>
Transfer from Reserves	(\$13,882,227.00)
ENDING FUNDS (Estimated)	<u>\$ 18,380,423.00</u>

INTRODUCTION

The Upper Blue Sanitation District is a quasi-municipal entity organized in 1966 under Title 32 of the Colorado Revised Statutes. The district is governed by an elected five-member Board of Directors which adopts policies and approves annual budgets to accomplish the mission of the district.

It is the mission of the Upper Blue Sanitation District to collect wastewater and to treat it to higher standards than required by our discharge permits. District operations will be conducted in a financially responsible manner. Ultimately, the Upper Blue Sanitation District will be the sole wastewater management agency in the Upper Blue River Basin.

In 2024 the district owned and operated three (3) separate treatment facilities: Farmer's Korner, Iowa Hill and South Blue River Wastewater Treatment Plant.

The service area for the district was approved by the Summit County Commissioners in 1984 and is generally the area from Dillon Reservoir south to Hoosier Pass. Although, the District plans for eventual treatment capacity for this entire area, service is provided for those properties that are included into the boundaries through an inclusion process. The Board approved a request of inclusion of all properties within the Town of Blue River that are not currently within the district boundaries. An election was held on February 3, 2009 and passed in favor of inclusion into the district. All District facilities including the extensive collection system are operated and maintained by fourteen (14) Colorado certified operators and three (3) administrative staff including the District Manager. The district also employs several consultants on an as needed basis.

2024 in Review

The district experienced a increase in the sale of Plant Investment Fees in 2024 as compared to 2023.

In 2023 the district sold approximately 164 single-family equivalents (sfes) compared with the sale of approximately 249 single family equivalents in 2024. In 2025, 128 sfes are anticipated to be sold.

The district also has adopted a Financial Master Plan which outlines anticipated revenues and expenses for the next 10 years. This Plan is updated annually reflecting the long-term effects of the adopted budget. In 2024 the Board of Directors has decided to increase the PIF rate to \$14,584.00. and the monthly service fee (\$29/sfe/month). In 2025 the board will adjust the monthly service fee to \$30.00/sfe/month and the Plant Investment Fee to \$15,584.00. These planned increases due to the economy and regulatory pressures facing the district. The Colorado Department of Health and Environment has yet to reissue the Farmer's Korner permit in 2020 and the district anticipates the need for additional capital expenses. In addition, loss of dilution flow at Farmer's Korner or actions by others that change water quality standards of the Blue River could also cause the Board of Directors to consider future increases. Beginning in 2020 the district adopted Resolution 17, Series 2019 which outlined the basis for reclassifying single family home used as short-term rentals. This recognized the increased loading of single-family homes used as short-term rentals.

The district uses the modified accrual method for accounting and budgeting purposes.

**GENERAL FUND/
INVESTMENTS**

The estimated beginning fund balance for 2025 is approximately \$32,267,898.00 invested in government security pools and secured money market accounts. The ending fund balance for 2025 is expected to decrease by \$13,882,227.00, for an ending fund balance of approximately \$18,380,423. The Board anticipates to set aside in reserve approximately \$2 million dollars per year to meet new regulations that could impact the district beginning in 2023.

As of 11/30/2024, the following were the district's major account balances. These balances do not include any unearned income or end of year expenses.

Colorado Trust	\$ 33,210,188.45.60
Treasuries and Notes	\$ 0
Wells Fargo Bank (PDPA insured)	\$ 10,420,651.22

The district utilizes a financial forecast model in the preparation of the annual budget. This tool allows the Board to determine the long-term effects of current financial decision making and has put the district in a strong financial position.

REVENUES

Capital revenues for the budget year 2025 project decrease from 2024. In 2024, the sfes sold are estimated near 250 while in 2025 that number is conservatively estimated at 128 due to the uncertainty in development. However, this number can vary significantly due to the local fluctuations in development. These monies are collected prior to obtaining a building permit and are to be invested as defined in the District's Financial Policies. The primary purpose of this revenue stream is to finance capital projects due to growth such as funding of plant expansions. Since the Board of Directors has adopted the philosophy of "growth will pay its own way" the district can experience significant reserves which will then be used to fund future projects in their entirety. The district does not rely on any type of general obligation tax as a source of revenue. Reviewing the District's long-term financial plan, the Board of Directors decided to increase the Plant Investment Fee of \$14,584.00 in 2024 to \$15,584.00 in 2025, the monthly service fee of \$29/month/sfe will also increase to \$30/month/sfe. Projects and the funding requirements are reflected in the district approved Financial Master Plan (See Financial Master Plan located at the end of budget document). The Board began, in 2012, to set aside in reserve approximately \$2 million dollars per year to meet new regulations.

Operation and Maintenance revenue is generated mainly by the collection of monthly service fees. This revenue stream is used primarily for day-to-day operations and maintenance and is also used to finance replacement costs of capital items such as pumps, pipes and machinery.

EXPENSES

Capital

Capital expenditures for 2025 reflect major capital and capital replacement projects. Farmer's Korner will continue to replace outdated pumps and blowers. Iowa Hill will continue the process of upgrading for nutrient removal.

In the collection system, there will be a concentrated effort to televise and rehabilitate main lines within the Town of Breckenridge.

Operation and Maintenance

The overall Operation and Maintenance expenses are expected to increase by 10.28% in 2025. It is estimated that significant increases to all supplies and gas/electric will increase due to supply chain concerns. Staffing has been a significant issue. Current staffing continues to be down one person. Personnel will increase by 1 employee in 2025.

Long Term Capital Planning

The district is facing new regulatory requirements which could have a significant impact on the district's treatment facilities. The district is reserving funds to meet these anticipated needs beginning in 2024 and beyond. As 2025 approaches the district will determine the scope of the impact and make the appropriate future adjustments to capital expenditures.

**Budget Analysis
2025**

	2022 Actual	2023 Actual	2024 Adopted	9 Months Actual As of Sept. 2024	3 Months Est. Oct.-Dec. 2024	TOTAL (based on 9 months) 2024	2025 Requested	Percent Increase 2025
Revenue								
Sewer User Fees	6,631,784.16	6,999,131.63	7,375,000.00	5,493,889.53	1,831,296.00	7,325,185.53	7,649,640.00	4.43%
Tap Inspection Fees	5,300.00	5,300.00	4,000.00	9,600.00	500.00	10,100.00	4,000.00	-60.40%
Miscellaneous Revenue	282,913.07	0.00	5,000.00	72.44	-	72.44	5,000.00	6802.26%
CEBT Dividend	-	-	-	-	-	0.00	-	-
Camper Dump Fees	22,155.14	21,288.99	20,000.00	19,385.18	500.00	19,885.18	20,000.00	0.58%
Late Fees	12,079.28	17,498.83	15,000.00	14,272.40	3,000.00	17,272.40	15,000.00	-13.16%
Line Extension Fees	120,076.54	146,554.55	100,000.00	174,600.77	40,000.00	214,600.77	100,000.00	-53.40%
Rental Income	77,075.00	113,350.00	116,000.00	88,925.00	5,500.00	94,425.00	116,000.00	22.85%
Operating Revenue Totals	7,151,383.19	7,303,124.00	7,635,000.00	5,800,745.32	1,880,796.00	7,681,541.32	7,909,640.00	2.97%
Interest on Loan Payments	4,443.04	2,832.83	4,000.00	4,241.52	500.00	4,741.52	4,000.00	-15.64%
Inclusion Fees	81,459.60	1,765,363.04	100,000.00	113,681.60	50,000.00	163,681.60	75,000.00	-54.18%
Plant Investment Fees	5,193,774.17	2,231,689.68	2,027,176.00	3,541,257.96	100,000.00	3,641,257.96	2,000,000.00	-45.07%
Income on Investments	497,855.36	1,591,571.46	1,200,000.00	1,305,813.93	400,000.00	1,705,813.93	1,200,000.00	-29.65%
CWRPDA Loan Credit	0.00	0.00	0.00	-	-	0.00	0.00	-
Misc. Revenue Totals	5,777,532.17	5,591,457.01	3,331,176.00	4,984,995.01	550,500.00	5,515,495.01	3,279,000.00	-40.55%
Revenues Total	12,928,915.36	12,894,581.01	10,966,176.00	10,785,740.33	2,431,296.00	13,197,036.33	11,188,640.00	-15.22%
Salaries - Admin	1,400,520.91	1,596,704.42	1,900,000.00	1,270,020.44	560,000.00	1,830,020.44	2,200,000.00	20.22%
Overtime - Admin	48,018.73	56,498.33	45,000.00	34,468.39	30,000.00	64,468.39	50,000.00	-22.44%
FICA - Admin	83,737.25	95,853.69	120,590.00	78,135.30	50,406.00	101,919.95	139,500.00	36.87%
Medicare Expense - Admin	20,566.62	23,753.84	28,202.50	18,855.88	11,788.50	23,826.12	32,625.00	36.87%
401 K - Admin	98,904.35	111,968.56	145,875.00	89,585.88	65,000.00	123,290.27	165,000.00	33.83%
Unemployment Insurance - Admin	16,494.56	18,094.41	20,000.00	12,570.54	7,255.00	19,825.54	20,000.00	0.88%
Health Insurance - Admin	279,084.79	316,827.68	375,000.00	269,633.68	148,748.00	418,381.68	425,000.00	1.58%
Adminin/Payroll Totals	1,947,327.21	2,219,700.93	2,634,667.50	1,773,270.11	873,197.50	2,581,742.39	3,032,125.00	17.44%
Office Supplies - Admin	4,607.23	3,405.89	5,000.00	1,964.83	3,227.00	5,191.83	5,000.00	-3.69%
Telephone - Admin	21,116.60	19,466.72	25,000.00	17,682.47	10,000.00	27,682.47	60,000.00	116.74%
Business Expenses - Admin	77,272.70	59,786.45	50,000.00	61,082.15	20,000.00	81,082.15	65,000.00	-19.83%
Bank Service Fees - Admin	6,890.63	363.64	12,000.00	342.98	500.00	842.98	8,000.00	849.01%
Legal Counsel - Admin	134,190.95	180,944.49	100,000.00	284,759.75	5,000.00	289,759.75	100,000.00	-62.93%
Education - Admin	28,967.02	25,418.03	25,000.00	15,703.91	8,000.00	23,703.91	25,000.00	5.47%
Audit & Accounting - Admin	10,400.00	10,800.00	12,000.00	11,250.00	-	11,250.00	12,000.00	6.67%
Legal Publications - Admin	9,025.81	1,993.60	5,000.00	12,757.71	2,000.00	14,757.71	5,000.00	-66.12%
Board Members - Admin	6,000.00	5,800.00	6,000.00	4,500.00	2,500.00	7,000.00	6,000.00	-14.29%
Elections - Admin	0.00	1,610.81	5,000.00	-	-	0.00	5,000.00	0.00%
Computer Expenses - Admin	60,095.74	78,499.92	40,000.00	63,664.93	22,500.00	86,164.93	40,000.00	-53.56%
Copy Machine & Supply - Admin	730.47	721.71	1,000.00	1,102.28	700.00	1,802.28	1,000.00	-44.51%
Postage & Meter Rent - Admin	15,499.62	16,659.98	17,000.00	13,461.86	2,000.00	15,461.86	17,000.00	9.95%
Insurance - General - Admin	136,003.00	163,433.00	175,000.00	132,519.01	73,621.00	206,140.01	190,000.00	-7.83%
Insurance - Deductible - Admin	1,000.00	0.00	1,000.00	-	-	0.00	1,000.00	#DIV/0!
Engineering - Admin	269,282.12	120,584.17	75,000.00	48,760.45	38,000.00	86,760.45	80,000.00	-7.79%
Tools - Admin	2,271.36	5,323.15	2,500.00	2,603.00	1,000.00	3,603.00	2,500.00	-30.61%
Radios - Admin	0.00	0.00	0.00	-	-	0.00	0.00	0.00%
Vehicle Expense - Admin	0.00	0.00	500.00	-	-	0.00	500.00	0.00%
Dues & Memberships - Admin	9,532.88	10,695.77	15,000.00	5,926.50	4,000.00	9,926.50	15,000.00	51.11%

**Budget Analysis
2025**

	2022 Actual	2023 Actual	2024 Adopted	9 Months Actual As of Sept. 2024	3 Months Est. Oct.-Dec. 2024	TOTAL (based on 9 months) 2024	2025 Requested	Percent Increase 2025
Safety - Admin	17,206.99	10,132.84	5,000.00	14,823.23	5,000.00	19,823.23	5,000.00	-74.78%
Summit Water Quality - Admin	18,531.06	18,531.06	22,000.00	18,531.06	-	18,531.06	22,000.00	18.72%
Building Maintenance - Admin	36,752.56	35,468.66	27,000.00	43,916.77	5,000.00	48,916.77	27,000.00	-44.80%
Employee Housing Maintenance -	17,128.13	54,327.37	35,000.00	40,384.45	25,000.00	65,384.45	35,000.00	-46.47%
Employee Housing Utilities - A	5,708.28	24,244.95	24,000.00	20,033.97	10,000.00	30,033.97	26,000.00	-13.43%
Administrative Totals	888,213.15	848,212.21	685,000.00	795,771.31	238,048.00	1,033,819.31	753,000.00	-27.16%

Total Administrative Expenses

	2,835,540.36	3,067,913.14	3,319,667.50	2,569,041.42	1,111,245.50	3,615,561.70	3,785,125.00	4.69%
Utilities - IH	16,133.88	20,162.64	65,000.00	10,201.98	10,000.00	20,201.98	65,000.00	221.75%
Utilities - IH Gas	9,643.11	11,760.38	170,000.00	9,335.00	20,000.00	29,335.00	170,000.00	479.51%
Utilities - IH Electric	1,995.86	1,626.76	15,000.00	1,951.63	1,000.00	2,951.63	15,000.00	408.19%
Freight - IH	15,558.63	2,097.47	30,000.00	10,355.99	3,000.00	13,355.99	30,000.00	124.62%
Equipment Repairs - IH	2,188.82	1,430.98	100,000.00	0.00	0.00	0.00	100,000.00	#DIV/0!
Chemicals - IH	57,643.04	59,199.91	60,000.00	70,953.01	15,000.00	85,953.01	60,000.00	-30.19%
Contracted Repairs - IH	15,624.42	12,237.75	15,000.00	13,955.87	20,000.00	33,955.87	15,000.00	-55.83%
Laboratory Supplies - IH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Biomonitoring - IH	46,441.00	7,529.00	10,000.00	7,529.00	2,000.00	9,529.00	10,000.00	4.94%
Discharge Permit - IH	12,143.00	1,710.00	15,000.00	2,951.00	500.00	3,451.00	15,000.00	334.66%
Site Monitoring - IH	10,057.54	4,083.39	10,000.00	5,683.96	3,500.00	9,183.96	10,000.00	8.89%
Supplies - IH	187,429.30	121,838.28	490,000.00	132,917.44	75,000.00	207,917.44	490,000.00	135.67%

Iowa Hill Expenditures

Utilities - FK	90,724.24	76,144.81	115,000.00	36,915.77	45,000.00	81,915.77	110,000.00	34.28%
Utilities - FK Gas	532,259.93	562,196.89	750,000.00	380,604.08	250,000.00	630,604.08	650,000.00	3.08%
Utilities - FK Electric	47,044.02	51,648.03	60,000.00	533.53	20,000.00	20,533.53	60,000.00	192.20%
Freight - FK	79,744.96	75,001.16	115,000.00	28,029.75	75,000.00	103,029.75	115,000.00	11.62%
Equipment Repairs - FK	454,651.79	578,153.44	600,000.00	440,351.41	250,000.00	690,351.41	680,000.00	-1.50%
Chemicals - FK	9,413.95	11,776.20	10,500.00	5,741.40	5,000.00	10,741.40	10,500.00	-2.25%
Supplies - FK	144,033.80	153,987.93	150,000.00	95,027.46	50,000.00	145,027.46	160,000.00	10.32%
Contracted Repairs - FK	13,200.00	15,430.18	18,000.00	9,900.00	6,600.00	16,500.00	18,000.00	9.09%
Dumpster Charges - FK	6,080.00	4,713.66	7,800.00	2,825.00	2,000.00	4,825.00	7,800.00	61.66%
Biomonitoring - FK	18,958.00	15,972.71	20,000.00	15,832.05	18,000.00	33,832.05	20,000.00	-40.88%
Discharge Permit - FK	121,246.04	116,031.83	165,000.00	81,943.04	54,000.00	135,943.04	165,000.00	21.37%
Composting - FK	17,599.50	13,461.16	40,000.00	6,828.94	5,000.00	11,828.94	30,000.00	153.62%
Site Monitoring - FK	94,725.00	94,000.00	105,000.00	64,000.00	45,000.00	109,000.00	105,000.00	-3.67%
Sludge Hauling Costs - FK	1,626.72	0.00	2,500.00	89.71	2,000.00	2,089.71	2,500.00	19.63%
State Health Fees FK	1,631,307.95	1,768,518.00	2,158,800.00	1,168,622.14	827,600.00	1,996,222.14	2,133,800.00	6.89%

Farmer Korner Expenditures

Utilities - South Blue	11,469.90	12,454.43	17,000.00	8,990.70	6,500.00	15,490.70	20,000.00	29.11%
Utilities - South Blue Gas	41,495.34	44,248.34	60,000.00	30,656.17	16,685.00	47,341.17	60,000.00	26.74%
Utilities - South Blue Electric	981.80	1,775.00	6,000.00	8,768.40	0.00	8,768.40	6,000.00	-31.57%
Equipment Repairs - South Blue	0.00	0.00	1,000.00	131.28	500.00	631.28	1,000.00	58.41%
Supplies - South Blue	2,797.45	680.00	8,000.00	12,189.04	2,800.00	14,989.04	8,000.00	-46.63%
Contracted Repairs - South Blue	4,258.00	976.00	4,500.00	1,769.00	2,000.00	3,769.00	4,500.00	19.40%
Discharge Permit - South Blue	7,221.00	7,256.00	12,000.00	5,317.54	3,000.00	8,317.54	12,000.00	44.27%
Site Monitoring - South Blue	68,223.49	67,389.77	108,500.00	67,822.13	31,485.00	99,307.13	111,500.00	12.28%

South Blue Expenditures

Budget Analysis
2025

	2022 Actual	2023 Actual	2024 Adopted	9 Months Actual As of Sept. 2024	3 Months Est. Oct.-Dec. 2024	TOTAL (based on 9 months) 2024	2025 Requested	Percent Increase 2025
Utilities - Col	14,484.84	17,163.60	28,000.00	16,927.97	12,000.00	28,927.97	28,000.00	-3.21%
Vehicle Expense - Col	51,325.62	43,243.81	60,000.00	33,648.07	20,000.00	53,648.07	80,000.00	49.12%
Line Cleaner Expenses - Col	9,552.27	5,182.27	12,000.00	40,412.53	500.00	40,912.53	60,000.00	46.65%
Manhole Repairs/Line Repairs -	134,768.88	83,104.24	160,000.00	111,019.94	66,000.00	177,019.94	160,000.00	-9.61%
Equipment Repairs - Col	34,065.07	24,259.73	20,000.00	34,649.48	15,000.00	49,649.48	60,000.00	20.85%
CCTV Expense - Col	4,665.00	2,169.85	7,500.00	-	2,000.00	2,000.00	7,500.00	275.00%
Collection Expenditures	248,861.68	175,123.50	287,500.00	236,657.99	115,500.00	352,157.99	395,500.00	12.31%
Total Operating Expenses	4,971,362.78	5,200,782.69	6,364,467.50	4,107,238.99	2,129,345.50	6,271,166.40	6,915,925.00	10.28%
Net Cash From Operations	2,180,020.41	2,102,341.31	1,270,532.50	1,693,506.33	(248,549.50)	1,410,374.92	993,715.00	-41.93%
Administration - RC	0.00	73,787.65	50,000.00	17,832.44	5,000.00	22,832.44	105,000.00	359.87%
Employee Housing - RC	74,375.37	22,634.52	0.00	42,087.37	50,000.00	45,000.00	100,000.00	
Plant - IH RC	202,375.07	1,445,554.40	7,500,000.00	511,558.22	1,500,000.00	2,011,558.22	3,261,000.00	62.11%
Plant - FK RC	1,167,146.30	442,033.45	935,000.00	151,296.84	750,000.00	901,296.84	2,915,000.00	223.42%
Plant - Upper Blue - RC	89,665.10	302,836.00	75,000.00	-	0.00	0.00	50,000.00	#DIV/0!
Collection - RC	388,327.16	772,403.74	1,410,000.00	425,999.73	500,000.00	925,999.73	1,900,000.00	105.18%
Capital Replacement Exp.	1,921,889.00	3,059,249.76	9,970,000.00	1,148,774.60	2,805,000.00	3,906,687.23	8,331,000.00	113.25%
Bond Principal	105,177.43	107,291.40	107,000.00	109,448.05	-	109,448.05	111,648.00	2.01%
Bond Interest	18,764.95	16,650.89	26,812.79	14,494.33	-	14,494.33	12,294.00	-15.18%
Bond Expenditures	123,942.38	123,942.29	133,812.79	123,942.38	0.00	123,942.38	123,942.00	0.00%
Plant - Iowa Hill - CO	233,500.12	1,052,454.40	7,500,000.00	513,387.54	1,100,000.00	1,613,387.54	4,000,000.00	147.93%
Collection - CO	1,343,268.06	2,465,867.32	1,950,000.00	734,612.22	1,100,000.00	1,834,612.22	2,850,000.00	55.35%
Employee Housing - CO	1,500,597.06	3,207,138.15	1,600,000.00	25,000.00	900,000.00	925,000.00	1,300,000.00	40.54%
Plant - Farmers Komer - CO	669,702.25	1,706,246.82	3,950,000.00	1,084,049.38	1,000,000.00	2,084,049.38	1,000,000.00	-52.02%
Land - CO	0.00	0.00	0.00	-	0.00	0.00	0.00	
Administration - CO	0.00	0.00	50,000.00	-	0.00	0.00	50,000.00	
South Blue Plant - CO	0.00	0.00	2,000,000.00	-	25,000.00	25,000.00	500,000.00	1900.00%
Capital Outlay Expenditures	3,747,067.49	8,431,706.69	17,050,000.00	2,357,049.14	4,125,000.00	6,482,049.14	9,700,000.00	49.64%
Total Expenditures	10,764,261.65	16,815,681.43	33,518,280.29	7,804,827.24	9,090,830.50	16,783,845.15	25,070,867.00	49.37%
Total Revenues	12,928,915.36	12,894,581.01	10,966,176.00	10,765,740.33	2,431,296.00	13,197,036.33	11,188,640.00	-15.22%
Revenue Bonds	(10,764,261.65)	(16,815,681.43)	(33,518,280.29)	(7,804,827.24)	(9,090,830.50)	(16,783,845.15)	(25,070,867.00)	49.37%
Total Expenditures	2,164,653.71	(3,921,100.42)	(22,552,104.29)	2,960,913.09	(6,659,534.50)	(3,586,808.82)	(13,882,227.00)	287.04%
Transfer from/to Reserves								

Upper Blue Sanitation District
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SUMMARY

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total Operating Revenues	6,569,845	7,139,277	7,280,244	7,681,408	7,909,640	8,336,416	8,655,004	8,734,204	9,077,992	9,159,592	9,241,192	9,322,792	9,322,792
Total Operating Expenditures	4,060,964	4,971,362	5,232,860	6,271,166	6,915,925	7,261,721	7,624,807	8,006,048	8,326,290	8,659,341	9,005,715	9,456,001	(133,209)
Net Cash from Operations	2,508,881	2,167,915	2,047,384	1,410,242	993,715	1,074,695	1,030,197	728,156	751,702	500,251	235,477	(133,209)	(133,209)
Capital Replacement Res. B.O.Y. (1)	17,480,559	18,942,948	19,245,594	16,090,235	13,593,791	6,256,506	3,016,201	2,281,398	1,109,554	761,256	191,507	(673,016)	(673,016)
Replacement Capital Expenditure	(1,046,492)	(1,865,269)	(5,202,743)	(3,906,686)	(8,331,000)	(4,315,000)	(1,765,000)	(1,900,000)	(1,100,000)	(1,070,000)	(1,100,000)	(1,100,000)	(1,100,000)
Capital Replacement Res. E.O.Y. (2)	18,942,948	19,245,594	16,090,235	13,593,791	6,256,506	3,016,201	2,281,398	1,109,554	761,256	191,507	(673,016)	(1,906,224)	(1,906,224)
Plant Investment Fees (3)	3,405,696	5,197,192	2,491,306	3,646,000	1,994,752	2,186,435	2,252,028	2,459,457	2,533,241	2,757,626	2,840,354	2,925,565	2,925,565
Sale of Bonds or Loans Debt Service	(103,105)	(105,177)	(107,291)	(109,448)	(111,648)	(95,216)	(95,216)	(95,216)	(95,216)	(95,216)	(95,216)	(95,216)	(95,216)
Debt Service Interest Bond Payoff	(19,978)	(17,888)	(16,651)	(14,494)	(12,294)	(28,726)	(28,726)	(28,726)	(28,726)	(28,726)	(28,726)	(28,726)	(28,726)
Interest on Loan Payments	5,177	4,443	3,196	4,741	4,000	5,000	5,000	5,000	5,000	5,000	50,000	50,000	50,000
Interest Income	9,415	497,718	1,561,171	1,705,814	1,200,000	500,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Inclusion Fees	91,243	81,460	1,746,433	163,682	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Total Capital Income	3,388,448	5,657,748	5,678,164	5,396,295	3,149,810	2,642,493	2,358,086	2,565,515	2,639,299	2,908,684	2,991,412	3,076,623	3,076,623
Capital Outlay Res. B.O.Y. (1)	20,368,731	22,557,862	24,614,453	19,759,860	18,674,106	12,123,916	7,716,409	8,774,494	10,140,010	11,779,308	12,137,993	12,979,405	12,979,405
Capital Outlay	(1,199,317)	(3,601,157)	(10,532,756)	(6,482,049)	(9,700,000)	(7,050,000)	(1,300,000)	(1,200,000)	(1,000,000)	(2,560,000)	(2,150,000)	(1,150,000)	(1,150,000)
Capital Outlay Res. E.O.Y. (2)	22,557,862	24,614,453	19,759,860	18,674,106	12,123,916	7,716,409	8,774,494	10,140,010	11,779,309	12,137,993	12,979,405	14,906,028	14,906,028
Total Cash and Investments	41,500,810	43,860,047	35,850,096	32,267,898	18,380,423	10,732,610	11,055,392	11,249,564	12,540,566	12,329,500	12,306,389	12,939,804	12,939,804

NUTRIENT RESERVE ALLOCATION
TOTAL NUTRIENT RESERVE (4)

TOTAL AVAILABLE AFTER RESERVE

- (1) Beginning of Year
- (2) End of Year
- (3) Plant Investment Fees

unaudited

TOTAL REVENUE	10,081,376	12,920,090	13,082,350	13,201,645	11,183,392	11,102,861	11,137,032	11,423,661	11,841,233	12,192,218	12,356,546	12,523,357	12,523,357
TOTAL EXPENSE	6,429,856	10,560,853	21,092,301	16,783,843	25,070,867	18,750,663	10,813,749	11,229,990	10,550,232	12,403,283	12,379,657	11,829,943	11,829,943

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SEWER OPERATIONS

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Operating Revenue												
Sewer User Fees (Exhibit II)	6,297,408	6,631,632	6,991,905	7,325,052	7,649,640	8,236,416	8,573,004	8,652,204	8,995,992	9,077,592	9,159,192	9,240,792
Other Operating Revenues (Exhibit II)	272,437	507,645	288,339	356,356	260,000	100,000	82,000	82,000	82,000	82,000	82,000	82,000
Total Operating Revenue	6,569,845	7,139,277	7,280,244	7,681,408	7,909,640	8,336,416	8,655,004	8,734,204	9,077,992	9,159,592	9,241,192	9,322,792
Operating Expenditures												
Operating Expenditures	4,060,964	4,971,362	5,232,860	6,271,166	6,915,925	7,261,721	7,624,807	8,006,048	8,326,290	8,659,341	9,005,715	9,456,001
Total Operating Expenditures	4,060,964	4,971,362	5,232,860	6,271,166	6,915,925	7,261,721	7,624,807	8,006,048	8,326,290	8,659,341	9,005,715	9,456,001
Net Cash from Operations	2,508,881	2,167,915	2,047,384	1,410,242	993,715	1,074,695	1,030,197	728,156	751,702	500,251	235,477	(133,209)

Note: Operating expenditures assumes approx. 5%- 7% annual increase. New facility costs added seperately

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EXHIBIT III

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>Total</u>
Replacement Capital													
Farmers Korner	480,107	1,186,783	1,100,130	901,297	2,915,000	3,200,000	500,000	500,000	200,000	200,000	200,000	200,000	11,583,317
Iowa Hill	-	202,375	1,445,427	2,011,558	3,261,000	100,000	300,000	100,000	100,000	100,000	100,000	100,000	7,820,360
South Blue	-	13,409	1,400,000	-	50,000	50,000	100,000	50,000	50,000	50,000	50,000	50,000	1,863,409
Collection	549,368	388,327	1,127,189	925,999	1,900,000	915,000	815,000	1,200,000	700,000	670,000	700,000	700,000	10,590,883
Automotive	17,017	-	-	22,832	105,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	537,832
Administration	-	-	60,000	22,832	105,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	537,832
Equipment	-	74,375	59,997	45,000	100,000	-	-	-	-	-	-	-	289,372
Employee Housing	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,046,492	1,865,269	5,202,743	3,906,686	8,331,000	4,315,000	1,765,000	1,900,000	1,100,000	1,070,000	1,100,000	1,100,000	32,702,190
Capital Expenditures													
Farmers Korner	17,441	523,792	1,921,381	2,084,049	1,000,000	5,200,000	500,000	500,000	300,000	1,200,000	1,200,000	200,000	14,646,663
Iowa Hill	70,298	233,500	2,118,077	1,613,388	4,000,000	150,000	150,000	150,000	150,000	1,150,000	150,000	150,000	10,085,263
South Blue	56,432	-	250,000	25,000	500,000	-	-	-	-	-	-	-	831,432
Collection	59,767	1,343,268	3,004,606	1,834,612	2,850,000	150,000	600,000	500,000	500,000	150,000	750,000	750,000	12,492,253
Automotive	-	-	25,000	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	425,000
Administration	995,379	1,500,597	3,213,692	925,000	1,300,000	1,500,000	-	-	-	-	-	-	9,434,668
Employee Housing	-	-	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,199,317	3,601,157	10,532,756	6,482,049	9,700,000	7,050,000	1,300,000	1,200,000	1,000,000	2,550,000	2,150,000	1,150,000	47,915,279
Total Capital Expenditures	2,245,809	5,466,426	15,735,499	10,388,735	18,031,000	11,365,000	3,065,000	3,100,000	2,100,000	3,620,000	3,250,000	2,250,000	80,617,469

Upper Blue Sanitation District
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REF.	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
User Fee Income Calculation												
Single Family Equivalents												
Beginning of year	19,900	20,184	20,468	20,794	21,049	21,249	21,449	21,649	21,849	22,049	22,249	22,449
SFEs placed in service	284	284	326	255	200	200	200	200	200	200	200	200
SFEs end of year	20,184	20,468	20,794	21,049	21,249	21,449	21,649	21,849	22,049	22,249	22,449	22,649
Monthly Rate per SFE	26	27	28	29	30	32	33	33	34	34	34	34
Sewer User Fees	6,297,408	6,631,632	6,991,905	7,325,052	7,649,640	8,236,416	8,573,004	8,652,204	8,995,992	9,077,592	9,159,192	9,240,792
Interest Income Calculation												
Prior Year Ending Cash	37,849,290	41,500,810	43,860,047	35,850,096	32,267,898	18,380,423	10,732,610	11,055,892	11,249,564	12,540,566	12,329,500	12,306,389
Estimated Interest Income	13,826	502,298	1,561,171	1,710,555	1,200,000	500,000	250,000	250,000	250,000	125,000	250,000	250,000
Other Operating Revenue												
Inspection Fees (@ \$100 per)	6,394	5,300	5,700	10,100	4,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Other (Est.)	266,043	502,345	282,639	346,256	256,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Other Operating Revenue	272,437	507,645	288,339	356,356	260,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000
Plant Investment Fee Calculation												
Cost per SFE	11,584	12,584	13,584	14,584	15,584	16,584	16,584	17,584	17,584	18,584	18,584	18,584
SFEs Sold	294	413	183	250	128	132	136	140	144	148	153	157
Plant Investment Fee Revenue	3,405,696	5,197,192	2,491,306	3,646,000	1,994,752	2,186,435	2,252,028	2,459,457	2,533,241	2,757,626	2,840,354	2,925,565
Long Term Debt												
Sale of Bonds												
Total												

EXPENSES

Capital

Capital expenditures for 20284 reflect major capital and capital replacement projects. Farmer's Korner will continue the replace outdated pumps and blowers. Iowa Hill will continue the process of upgrading for nutrient removal.

In the collection system, there will be a concentrated effort to televise and rehabilitate main lines within the Town of Breckenridge.

Operation and Maintenance

The overall Operation and Maintenance expenses are expected to increase by 10.28% in 2025. It is estimated that significant increases to all supplies and gas/electric will increase due to supply chain concerns. Staffing has been a significant issue. Current staffing continues to be down one person. Personnel will increase by 1 employee in 2025.

Long Term Capital Planning

The district is facing new regulatory requirements which could have a significant impact on the district's treatment facilities. The district is reserving funds to meet these anticipated needs beginning in 2024 and beyond. As 2025 approaches the district will determine the scope of the impact and make the appropriate future adjustments to capital expenditures.

CAPITAL 2025

	<u>REPLACEMENT</u>	<u>NEW</u>
Farmers Korner		
Compliance requirements	\$1,000,000.00	\$1,000,000.00
Blowers	\$1,100,000.00	
Equipment repairs		
replace ultra sonic flow meters	\$115,000.00	
miscellaneous	\$200,000.00	
rebuild East Plant raw pumps	\$300,000.00	
increase size of digester gates	\$200,000.00	
Total	<u>\$2,915,000.00</u>	<u>\$1,000,000.00</u>
Iowa Hill		
IFAS Upgrade cont. from 2024	\$3,000,000.00	\$4,000,000.00
Replace membrane roof	\$250,000.00	
Lab Upgrades		
Drying Oven	\$3,000.00	
Microscope	\$8,000.00	
Total	<u>\$3,261,000.00</u>	<u>\$4,000,000.00</u>
South Blue		
Misc.	\$50,000.00	
Upgrades due to Regulations		\$500,000.00
Total	<u>\$50,000.00</u>	<u>\$500,000.00</u>
Collection		
Town of Breck Repairs(Main St. upgrades)	\$700,000.00	\$2,200,000.00
Peak 7 repair (Ski Pole)	\$650,000.00	
Manholes/Liftstations/Line Repairs	\$200,000.00	
Miscellaneous line extension	\$250,000.00	\$650,000.00
Vehicle Replacement	\$60,000.00	
Large Vehicle repair(Vactor)	\$40,000.00	
Total	<u>\$1,900,000.00</u>	<u>\$2,850,000.00</u>
Administration		
Miscellaneous equipment	\$30,000.00	\$50,000.00
Update computer systems	\$75,000.00	
Employee Housing	\$100,000.00	\$1,300,000.00
Total	<u>\$205,000.00</u>	<u>\$1,350,000.00</u>
GRAND TOTALS	<u>\$8,331,000.00</u>	<u>\$9,700,000.00</u>

CAPITAL 2026

	<u>REPLACEMENT</u>	<u>NEW</u>
Farmers Korner		
Miscellaneous equipment repair/replace	\$200,000.00	\$200,000.00
Regulatory Upgrades	\$3,000,000.00	\$5,000,000.00
Total	<u>\$3,200,000.00</u>	<u>\$5,200,000.00</u>
Iowa Hill		
Miscellaneous equipment repair/replace	\$100,000.00	\$150,000.00
Total	<u>\$100,000.00</u>	<u>\$150,000.00</u>
South Blue		
Misc.	\$50,000.00	
Total	<u>\$50,000.00</u>	
Collection		
CCTV and repairs	\$500,000.00	
Manholes/Liftstations/Line Repairs	\$200,000.00	
Miscellaneous line extension	\$150,000.00	\$150,000.00
Vehicle Replacement	\$65,000.00	
Total	<u>\$915,000.00</u>	<u>\$150,000.00</u>
Administration		
Miscellaneous equipment	\$50,000.00	\$50,000.00
Housing		\$1,500,000.00
Total	<u>\$50,000.00</u>	<u>\$1,550,000.00</u>
GRAND TOTALS	<u>\$4,315,000.00</u>	<u>\$7,050,000.00</u>

CAPITAL 2027

	<u>REPLACEMENT</u>	<u>NEW</u>	
Farmers Korner			
Miscellaneous equipment repair/replace	\$500,000.00	\$500,000.00	
Total	\$500,000.00	\$500,000.00	
Iowa Hill			
Miscellaneous equipment repair/replace	\$300,000.00	\$150,000.00	
Total	\$300,000.00	\$150,000.00	
South Blue			
Misc.	\$100,000.00		
Total	\$100,000.00		
Collection			
CCTV and Cleaning	\$500,000.00		
Manholes/Liftstations/Line Repairs	\$100,000.00		
Large Vehicle	\$450,000.00		
Miscellaneous line extension	\$150,000.00	\$150,000.00	
Vehicle Replacement	\$65,000.00		
Total	\$1,265,000.00	\$150,000.00	450000
Administration			
Miscellaneous equipment	\$50,000.00	\$50,000.00	
Total	\$50,000.00	\$50,000.00	
GRAND TOTALS	\$2,215,000.00	\$850,000.00	

CAPITAL 2028

	<u>REPLACEMENT</u>	<u>NEW</u>
Farmers Korner		
Miscellaneous equipment repair/replace	\$500,000.00	\$500,000.00
Total	<u>\$500,000.00</u>	<u>\$500,000.00</u>
Iowa Hill		
Miscellaneous equipment repair/replace	\$100,000.00	\$150,000.00
Total	<u>\$100,000.00</u>	<u>\$150,000.00</u>
South Blue		
Misc.	\$100,000.00	
Total	<u>\$50,000.00</u>	
Collection		
CCTV and Cleaning	\$500,000.00	
Manholes/Liftstations/Line Repairs	\$100,000.00	
Miscellaneous line extension	\$150,000.00	\$500,000.00
Vehicle Replacement	\$450,000.00	
Total	<u>\$1,200,000.00</u>	<u>\$500,000.00</u>
Administration		
Miscellaneous equipment	\$50,000.00	\$50,000.00
Total	<u>\$50,000.00</u>	<u>\$50,000.00</u>
GRAND TOTALS	<u>\$1,900,000.00</u>	<u>\$1,200,000.00</u>

CAPITAL 2029

	REPLACEMENT	NEW
Farmers Korner		
Miscellaneous equipment repair/replace	\$200,000.00	\$300,000.00
Total	\$200,000.00	\$300,000.00
Iowa Hill		
Miscellaneous equipment repair/replace	\$100,000.00	\$150,000.00
Total	\$100,000.00	\$150,000.00
South Blue		
Misc.	\$50,000.00	
Total	\$50,000.00	
Collection		
CCTV and Cleaning	\$400,000.00	
Manholes/Liftstations/Line Repairs	\$100,000.00	
Miscellaneous line extension	\$150,000.00	\$500,000.00
Vehicle Replacement	\$50,000.00	
Total	\$700,000.00	\$500,000.00
Administration		
Miscellaneous equipment	\$50,000.00	\$50,000.00
Total	\$50,000.00	\$50,000.00
GRAND TOTALS	\$1,100,000.00	\$1,000,000.00

CAPITAL 2030

	<u>REPLACEMENT</u>	<u>NEW</u>
Farmers Korner		
Miscellaneous equipment repair/replace	\$200,000.00	\$200,000.00
Regulatory Upgrade		\$1,000,000.00
Total	<u>\$200,000.00</u>	<u>\$1,200,000.00</u>
Iowa Hill		
Miscellaneous equipment repair/replace	\$100,000.00	\$150,000.00
Regulatory Upgrade		\$1,000,000.00
Total	<u>\$100,000.00</u>	<u>\$1,150,000.00</u>
South Blue		
Misc.	\$50,000.00	
Total	<u>\$50,000.00</u>	
Collection		
CCTV and Cleaning	\$350,000.00	
Manholes/Liftstations/Line Repairs	\$100,000.00	
Miscellaneous line extension	\$150,000.00	\$150,000.00
Vehicle Replacement	\$70,000.00	
Total	<u>\$670,000.00</u>	<u>\$150,000.00</u>
Administration		
Miscellaneous equipment	\$50,000.00	\$50,000.00
Total	<u>\$50,000.00</u>	<u>\$50,000.00</u>
GRAND TOTALS	<u>\$1,070,000.00</u>	<u>\$2,550,000.00</u>

CAPITAL 2031

	<u>REPLACEMENT</u>	<u>NEW</u>
Farmers Korner		
Miscellaneous equipment repair/replace	\$200,000.00	\$1,200,000.00
Total	<u>\$200,000.00</u>	<u>\$1,200,000.00</u>
Iowa Hill		
Miscellaneous equipment repair/replace	\$100,000.00	\$150,000.00
Total	<u>\$100,000.00</u>	<u>\$150,000.00</u>
South Blue		
Misc.	\$50,000.00	
Total	<u>\$50,000.00</u>	
Collection		
CCTV and Cleaning	\$400,000.00	
Manholes/Liftstations/Line Repairs	\$100,000.00	
Miscellaneous line extension	\$150,000.00	\$750,000.00
Vehicle Replacement	\$50,000.00	
Total	<u>\$700,000.00</u>	<u>\$750,000.00</u>
Administration		
Miscellaneous equipment	\$50,000.00	\$50,000.00
Total	<u>\$50,000.00</u>	<u>\$50,000.00</u>
GRAND TOTALS	<u>\$1,100,000.00</u>	<u>\$2,150,000.00</u>

CAPITAL 2032

	REPLACEMENT	NEW
Farmers Korner		
Miscellaneous equipment repair/replace	\$200,000.00	\$200,000.00
Total	<u>\$200,000.00</u>	<u>\$200,000.00</u>
Iowa Hill		
Miscellaneous equipment repair/replace	\$100,000.00	\$150,000.00
Total	<u>\$100,000.00</u>	<u>\$150,000.00</u>
South Blue		
Misc.	\$50,000.00	
Total	<u>\$50,000.00</u>	
Collection		
CCTV and Cleaning	\$400,000.00	
Manholes/Liftstations/Line Repairs	\$100,000.00	
Miscellaneous line extension	\$150,000.00	\$750,000.00
Vehicle Replacement	\$50,000.00	
Total	<u>\$700,000.00</u>	<u>\$750,000.00</u>
Administration		
Miscellaneous equipment	\$50,000.00	\$50,000.00
Total	<u>\$50,000.00</u>	<u>\$50,000.00</u>
GRAND TOTALS	<u>\$1,100,000.00</u>	<u>\$1,150,000.00</u>