

Snake River Water District

P.O. Box 2595
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October 15, 2020

Board of Directors
Snake River Water District
P.O. Box 2595
Dillon, Colorado 80435

Dear Board:

It is my pleasure to submit the proposed Snake River Water District budget for 2021.

This budget message is prepared in accordance with state statutes and highlights important aspects of the proposed budget for 2021. Formal adoption of the 2021 Snake River Water District Budget is scheduled for the Board's regular meeting on November 10, 2020 at 4:00 p.m. via an online Zoom virtual meeting.

OVERALL ASSESSMENT

While the Snake River Water District continues its history of successful financial management, the proposed 2021 budget reflects a **net operating loss of \$649,978** (after contingency and depreciation). Relative to projected 2020 year-end levels, the proposed 2021 budget includes no increase in operating revenue and a 14% increase in operating expense (before contingency and depreciation). The proposed 2021 budget shows a 6% increase in operating revenue and a 35% increase in operating expenses (before contingency and depreciation) relative to the 2020 budget.

The 2021 Change in Net Position is budgeted for a decrease of \$347,978. The primary reasons for this negative Change in Net Position is that the District expects \$658,922 in Depreciation Expense, \$420,000 in Maintenance Expense, and \$285,000 in capital expenditures for system improvements.

The estimated total cash balance for end of year 2021 is \$7,652,126. Of this total cash balance, \$1,500,000 is reserved for emergencies and \$250,000 is estimated to be needed for ongoing operations, leaving a balance of \$5,902,126 for capital improvements.

The District's Operating Income before Depreciation is trending downward. One fundamental reason is operating expenses are increasing much faster than water fees. Operating expenses from 2019 actual to 2021 budgeted increased 53%, while water fees for the same period increased 4%.

Relative to operating costs, the District continues to experience major failures in older water mains. Some portions of the distribution system are over fifty years old, which are beginning to experience leaks that are expensive to repair. The Operations Superintendent, Ron Mentch has recommended that the Board increase the Maintenance Expense budget for 2021 by \$220,000 – a 210% increase. The inside of the Pilot Lode Tank must be recoated in 2021, and the expense is estimated to be \$60,000. Additionally, Base 3 well pumps, Base 2 well flow meters, two fire hydrants, two gate valves, and high service motor replacements will cost approximately \$150,000 next year. We are projecting Maintenance Expenses to be about \$250,000 in 2020, which is 25% over budget.

Other than Maintenance, the budgeted 35% increase in operating expenses for 2021 over 2020's budget is mostly attributable to major impact from the new Base 3 water plant. Utilities are budgeted to increase 60% because of higher consumption of electricity and higher sewer costs. Insurance is expected to increase by 29%. Also, the costs of soda ash for corrosion control mandated by CDPHE caused Chemical Expense to increase 771% over 2020 budget.

The addition of new capitalized assets for 2020 is estimated to be \$8,585,827. Therefore, the District will experience a large increase in Depreciation Expense in 2021 which is budgeted to be \$658,922 – a 61% increase over the 2020 projection.

Tap fees for 2020 are projected to be \$518,000, which is more than double the budgeted amount. Real estate development of multi-family units exceeded expectations, but the One River Run development did not begin this year. ORR has been delayed several times, and although they received approval from the Snake River Planning Commission, my understanding is that the county government has several unmet requirements that could delay the project from paying tap fees in 2021. It is difficult to calculate the anticipated tap fees, but \$429,000 has been budgeted for 2021.

OPERATING REVENUE AND EXPENSE

Summary

2020 actual Operating Income (without Contingency) is projected to be a loss of \$108,341 as compared to a budgeted loss of \$121,806. This slightly better-than-expected result is significantly impacted by the following positive and negative factors that nearly cancel out:

- \$74,000 (+6%) higher-than-budgeted Operating Revenue,
- \$50,000 (+25%) higher-than-budgeted Maintenance Expenses,
- \$95,000 unbudgeted Master Plan Expenses,
- \$93,000 (-18%) lower-than-budgeted Depreciation.

2020 Free Cash Flow generated by Operations (Operating Income before Depreciation) is projected to be \$302,088, which would exceed the 2020 budget by \$4,277.

2021 Operating Income is budgeted at -\$649,978, which would be a \$541,637 greater loss than the 2020 Projection. This decline from 2020 would mostly result from these significant factors:

- \$170,000 (+68%) higher-than-2020 Maintenance Expenses,
- \$39,813 (+54%) higher-than-2020 Utilities Expenses,
- \$8,000 (+42%) higher-than-2020 Chemicals Expenses,
- \$248,493 (+61%) higher-than 2020 Depreciation Expense.

2021 Free Cash flow generated by Operations (Operating Income before Contingency and Depreciation) is budgeted to be \$152,741, which would decrease from 2020 by \$149,347 (51%).

Detail

Operating Revenue for 2021 is budgeted to be \$1,335,200 which is 6% above the 2020 budget and essentially equal to the 2020 projected actual. The actual Operating Revenue for 2020 is estimated to be \$1,334,900 which is \$74,100 (6%) above the 2020 budget.

Operating Expenses (not including contingency) for 2021 are budgeted to be \$1,182,459 which is 35% above the 2020 budget and 14% above 2020 projected actual. The 2020 Operating Expenses are estimated to be \$1,032,812 and 17% above the 2020 budget.

Operating Contingency for 2021 is budgeted at \$143,198, which was calculated as 20% of Operating Expenses other than the Operations and Administrative contracts.

Depreciation for 2021 is budgeted at \$658,922. The actual depreciation for 2020 is estimated to be \$410,429.

NON-OPERATING REVENUE AND EXPENSE (CAPITAL IMPROVEMENTS)

Non-Operating Revenue for 2021 is budgeted to be \$474,000 and is 34% lower than the 2020 budget of \$721,800 and 28% below projected 2020 Non-Operating Revenues. Tap Fees are budgeted for 2021 at \$429,000, and Development Review Fees are budgeted at \$3,000. Tap Fees received in 2020 are projected to be \$518,000 which is above budget by \$268,000. Development Review Fees in 2020 are estimated to be \$3,000 which is under budget by \$12,000. Investment Income is budgeted to be \$10,000 for 2021. Investment Income in 2020 is projected to be \$77,000 which is above budget by \$2,000.

In 2021, the budgeted Contribution of Assets is \$33,000. All of Wintergreen's new water mains are expected to be transferred to the District in 2020. Contribution of Assets, while considered revenue for the District's financial accounting, does not provide cash to the District because it measures the increase in the asset base that occurs when the District assumes ownership and repair obligations of new water lines. There are no significant new water mains expected for 2021, and the One River Run development already has most of the water mains built from 10 years ago.

Non-Operating Expenses for 2021 are budgeted at \$285,000, and the actual projection for 2020 is \$3,128,920. The Base 3 Water Plant Project and Corrosion Control Implementation at Base 2 Plant are expected to be completed in 2020. Next year, the new Water Utility Master Plan will contain an updated and prioritized capital improvement list of projects with estimated costs. This list will be used by the Board to budget for 2022 capital investments. In 2021, it is anticipated that engineering and design will be conducted to begin actualizing the capital improvement list. Estimates for engineering work include:

- \$125,000 for a pump station to lift water from the Base 3 pressure zone to Base 2.
- \$100,000 for geotechnical services and design of a new Base 2 storage tank.
- \$30,000 for designing improvements to the Base 2 soda ash feed system.
- \$30,000 for implementing compliance with American Water Infrastructure Act.

CHANGE IN NET POSITION

In 2021, the District's Change in Net Position is budgeted as a decline of \$347,978. This decrease is attributable primarily to the significant reduction in contributed assets, increased depreciation expense, and investment in engineering design of future system improvements. In 2020, the Change in Net Position is expected to be an increase of \$6,515,866 due to the addition of capitalized assets for the Base 3 Water Plant and the Corrosion Control Implementation.

FEES

Based on anticipated capital expenditures over the next decade, the Board decided in the August 2019 Board of Directors meeting that the District should address potential future rate increases by hiring a consulting firm to conduct a rate study. In reviewing the consultant's recommendations at the May 2020 Board meeting, the Board decided to hire an engineering firm to update the 2012 Water Utility Master Plan. This new work will include an assessment of the District's distribution system, creating a new hydraulic model, and prioritizing future capital projects. The District may conclude that a fee increase is warranted based on the costs of new system improvements, as well as replacements of existing water mains in the aging, high-risk areas of the district.

SNAKE RIVER WATER DISTRICT CASH PROJECTIONS

The total of all the District's funds on January 1, 2020 was \$9,906,391 and is projected to be \$7,454,182 on January 1, 2021; also, the total at the end of 2021 is projected to be \$7,652,126. In each of these balances \$1,500,000 is allocated for Emergency Reserves and approximately \$250,000 is maintained for daily operations; thus, the amount available for capital investment is \$1,750,000 less than funds in asset accounts.

Cash flow projections for 2021 show a Starting Investment Balance of \$5,704,182 and Ending Investment Balance of \$6,045,924. These balances do not include the \$1,500,000 in Emergency Reserve nor a \$250,000 minimal operating cash balance. The cash flow calculations account for estimated cash inflows for Operating Income, Investment Income, Lease Income, Tap Fees, and Development Review Fees. The cash flow calculations account for estimated cash outflows for System Improvements (engineering and design).

BASIS OF ACCOUNTING

Our proposed budget is on an accrual basis and accordingly, includes depreciation of District assets. This approach is also consistent with the District's financial reporting.

BOARD APPROVAL REQUESTED

As District Administrator, I respectfully request the Board direct staff to submit the attached Certification of Tax Levies to the Summit Board of Commissioners and to approve the following resolutions at the Board's regular meeting on November 10, 2020:

1. Resolution #5-2020 to adopt the 2021 Budget
2. Resolution #6-2020 to appropriate sums of money for the 2021 Budget
3. Resolution #7-2020 to set the mill levy for 2021

Please contact me if you have any questions regarding any aspect of this proposed budget.

Respectfully Submitted,

Scott Price

Scott Price
Administrator- Executive Director
P.O. Box 2595
Dillon, CO 80435
Phone 970-468-0328
Email executivedirector@snakeriverwater.com

**SNAKE RIVER WATER DISTRICT
SUMMIT COUNTY, COLORADO**

**RESOLUTION #5-2020
RESOLUTION TO ADOPT THE 2021 DISTRICT BUDGET**

A RESOLUTION TO SUMMARIZE EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPT A BUDGET FOR THE SNAKE RIVER WATER DISTRICT, SUMMIT COUNTY, COLORADO, FOR THE DISTRICT FISCAL YEAR WHICH IS REFLECTED IN THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021, AND ENDING ON THE FINAL DAY OF DECEMBER 2021.

WHEREAS, the Board of Directors of the Snake River Water District has appointed Scott Price, District Administrator, to prepare and submit a proposed budget to the governing body of the District at the proper time, and;

WHEREAS, upon due and proper notice, published in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, with an opportunity for review, and a public hearing was subsequently held on November 10, 2020, and interested electors were given the opportunity to state, file or otherwise register any objections to the proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law, and;

WHEREAS, notwithstanding the operating loss and negative change in net position, the District has sufficient reserves and liquidity to meet all its obligations on a timely basis.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the *SNAKE RIVER WATER DISTRICT*, Summit County, Colorado:

SECTION 1. That the estimated expenditures for 2021, including contingencies, are as follows:

Operations and Administrative Expenditures	\$1,326,256
<u>Capital/System Improvements</u>	<u>\$285,000</u>
Total Expenditures	\$1,611,256

SECTION 2. That the estimated revenues for 2021 are as follows:

Total Operating Revenue	\$1,335,200
Non-Operating Revenue & Contribution of Assets	\$507,000
<u>General Property Tax</u>	<u>\$0</u>
Total Revenue	\$1,842,200

SECTION 3. That the emergency reserve account is as follows:

Carryover from Previous Years	\$1,500,000
<u>Transfers into or out of the Emergency Reserve Account</u>	<u>\$0</u>
Total Projected Emergency Reserves on 12-31-21	\$1,500,000

SECTION 4. That projected capital/system improvement expenditures for 2021 are \$285,000.

SECTION 5. That total funds (checking and savings) for the District are as follows for 2021:

Beginning Balance	\$7,454,182
<u>Estimated Net Revenue</u>	<u>\$197,944</u>
Estimated Total Cash and Securities	\$7,652,126

SECTION 6. That the total funds on 12-31-21 without restriction are as follows:

Total Estimated Cash and Securities	\$7,652,126
Less:	
2021 Estimated Year End Emergency Reserve Balance	\$1,500,000
<u>2021 Estimated Year End Capital System Improvement Balance</u>	<u>\$5,045,768</u>
Estimated 12-31-21 Total Funds Without Restriction	\$1,106,358

SNAKE RIVER WATER DISTRICT, Summit County, Colorado.

ADOPTED this 10th day of November 2020.

President – David Helmer

Treasurer – John Graham

Attest:
Secretary – Char Bloom

**SNAKE RIVER WATER DISTRICT
SUMMIT COUNTY, COLORADO**

**RESOLUTION #6-2020
RESOLUTION TO APPROPRIATE SUMS OF MONEY
FOR THE 2021 BUDGET**

A RESOLUTION TO APPROPRIATE SUMS OF MONEY IN THE AMOUNTS AND FOR THE PURPOSES AS SET FORTH BELOW, FOR *THE SNAKE RIVER WATER DISTRICT*, SUMMIT COUNTY, COLORADO, FOR THE 2021 BUDGET YEAR.

WHEREAS, the Board of Directors of the *Snake River Water District* has, after consideration of all evidence and testimony, adopted the annual budget in accordance with Division of Local Government regulations, the relevant statutes of the State of Colorado, and the Rules, Regulations, and Bylaws of the District, at a public hearing dated November 10th, 2020, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided for in the budget to and for the purposes described below, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SNAKE RIVER WATER DISTRICT, SUMMIT COUNTY, COLORADO:

SECTION 1. That the following sums are hereby appropriated from the revenue of the Snake River Water District Fund for the purposes stated:

Operations and Administrative Expenditures	\$1,326,256
<u>Capital/System Improvements</u>	<u>\$285,000</u>
Total Expenditures	\$1,611,256

ADOPTED this 10th day of November 2020.

President – Dave Helmer

Treasurer – John Graham

Secretary – Char Bloom

**SNAKE RIVER WATER DISTRICT
SUMMIT COUNTY, COLORADO**

**RESOLUTION #7-2020
RESOLUTION TO SET THE MILL LEVY FOR 2021**

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2021, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE SNAKE RIVER WATER DISTRICT, SUMMIT COUNTY, COLORADO, FOR THE 2021 BUDGET YEAR.

WHEREAS, on November 10, 2020, at a regularly scheduled public meeting of the Board of Directors of the *Snake River Water District (“Board”)*, the Board reviewed and adopted the annual budget for the Snake River Water District (“District”) in accordance with Colorado Division of Local Government regulations and the required applicable statutes under Colorado law, including without limitation the Colorado Local Government Budget Act, CRS Sec. 29-1-101, et. seq. of the State of Colorado, and;

WHEREAS, the amount of money necessary to balance the budget for payment of general obligation bonds and interest is \$ 0.00, and;

WHEREAS, the current year’s Gross Total Taxable assessed valuation for the *Snake River Water District* as certified by the County Assessor is **\$189,841,655**.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the *SNAKE RIVER WATER DISTRICT*, Summit County, Colorado:

SECTION 1. That for the purpose of meeting general obligation bonds and interest of the *Snake River Water District* during the 2021 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the *Snake River Water District* for the year of 2021. This remains the same as the previous year.

SECTION 2. That Scott Price, District Administrator, is hereby authorized and directed to certify to the Board of County Commissioners of Summit County, Colorado, the mill levy for the *Snake River Water District* as herein determined.

ADOPTED this 10th day of November 2020.

President – Dave Helmer

Treasurer – John Graham

Attest: Secretary – Char Bloom

WATER DISTRICT
SUMMARY OF ASSUMPTIONS AND CONSIDERATIONS
2020 year-end estimated expenses
and the 2021 proposed budget

This document provides the Snake River Water District Board of Directors and the public with a summary of assumptions and considerations used in estimating 2020 year-end expenditures and proposing the District's budget for calendar year 2021. The majority of revenue and expenses are within expected normal ranges, and only a few surprises or interesting account postings warrant detailed explanation beyond the District Administrator's budget letter to the Board. The following highlights represent the impactful and extraordinary items that interested parties would benefit from additional explanation.

The District is transparent in all its operations, so anyone is welcome to request more information regarding any aspect of the 2020 accounting or 2021 budget.

OPERATING REVENUE

- Water User Fees for Q4 2020 will be approximately \$395,000. We expect 2021 to be the same as 2020, with the significant unknown factor of precipitation received that greatly affects irrigation usage.
- Connection fees will be much lower in Q4 than the last 3 months because development starts are slowing down seasonally. We expect next year to be about the same as this year's amount.
- Temporary Water for 2020 is estimated to be \$900, which is less than last year because of fewer new development projects needing water for their construction.

EXPENDITURES – OPERATIONS AND MAINTENANCE

- Operations and Maintenance 2020 actual expenses are projected to be \$611,154 which is 13% above budget. The 2021 budget is \$843,579 which represents a 55% increase over 2020 budget.
- The Operations Contract has been increased by 3.1% (CPI-U Mountains-Denver) for cost of living adjustment, bringing the 2021 total to \$253,167.
- Maintenance Parts and Materials Expenses for 2021 are budgeted to be \$420,000, which is a 210% increase over 2020's budget. There are an increasing number of water main failures, and it is expected more of this repair activity will continue as needed. Also, the Superintendent has recommended several replacements for well pumps, flow meters, fire hydrants, gate valves, and high service motors. The inside of the Pilot Lode Tank must be recoated.
- Utilities Expenses are budgeted to be \$113,413 in 2021, which is a 60% increase over 2020. The cost of electricity and sewer charges will be much higher because of the new Base 3 Water Plant.

EXPENDITURES - ADMINISTRATION

- General and Administration 2020 actual expenses are projected to be \$421,657 which is 26% above budget; mostly attributable to the Master Plan Expenses of \$95,000 to pay for an unbudgeted Water Utility Master Plan the Board requested. The 2021 budget is \$338,879 which represents a 1% increase over 2020 budget. The Rate Study was budgeted in 2020 at \$18,000 as Board Expenses. Of that amount, \$15,000 has been spent in 2020, and \$4,000 is now budgeted for 2021 to complete the Rate Study after the new Capital Improvement Plan is produced as part of the Master Plan.
- The Administrative Contract has been increased by 3.1% (CPI-U Mountains-Denver) for cost of living adjustment, bringing the 2021 total to \$210,304.
- Insurance costs for 2021 will increase significantly because of the much higher value of the Base 3 Water Plant, and the 2021 budget is \$33,000 which represents a 29% increase over 2020 budget.

NON-OPERATING REVENUE (Capital Improvements)

- Tap Fees are projected to be \$518,000 in 2020. This is 107% above budget. The 2021 budget is \$429,000 which reflects a 72% increase over 2020 budget.
- Contribution of Assets in 2020 are projected to be \$513,300 which is 5% above budget. The 2021 budget is \$33,000. The new water mains from Wintergreen are expected to be accepted by the District in the fall of 2020, and no significant new water mains are anticipated next year.

NON-OPERATING EXPENSE (Capital Improvements)

- The Base 3 Water Plant Project is projected to have \$3,061,630 in expenses for 2020, and it should be completed so nothing is budgeted for 2021.
- The Corrosion Control Implementation at the Base 2 plant is estimated to have \$67,290 in expenses in 2020. The project will be complete by year-end and nothing is budgeted for next year.
- The Base 2 Tank Project is on hold until the new Master Plan is complete.
- Engineering and design of high priority projects, as defined in the new Master Plan, is budgeted for \$285,000 in 2021.

SNAKE RIVER WATER DISTRICT
2021 Operations and Administrative Budget

	12/31/2018 (audited)	12/31/2019 (audited)	2020 Budget (approved)	2020 Actual (projection)	2021 Budget (proposed)	2021 Proposed % of 2020 Projection	2021 Proposed % of 2020 Approved
OPERATING REVENUE							
Water User Fees	1,288,466	1,260,591	1,250,000	1,325,000	1,325,000	100%	106%
Connection Fees	15,700	14,000	9,000	9,000	9,000	100%	100%
Temporary Water	41,453	9,655	1,800	900	1,200	133%	67%
TOTAL OPERATING REVENUE	1,345,619	1,284,246	1,260,800	1,334,900	1,335,200	100%	106%
OPERATING EXPENSE							
Operations Contract	229,118	237,595	245,554	245,554	253,167	103%	103%
Lab Testing	15,435	10,293	18,000	16,000	18,000	113%	100%
Chemicals/Chlorine	3,074	2,484	3,500	19,000	27,000	142%	771%
Maint Parts/Materials	138,518	175,454	200,000	250,000	420,000	168%	210%
GIS Engineering-Ops	900	5,699	5,000	7,000	7,000	100%	140%
Utilities	61,779	69,883	71,070	73,600	113,413	154%	160%
811 Notification System	-	-	-	-	5,000		
TOTAL OPERATIONS AND MAINTENANCE	448,824	501,408	543,124	611,154	843,579	138%	155%
Admin Contract	190,326	197,369	213,980	213,980	210,304	98%	98%
Audit Fees	8,747	8,278	8,600	9,197	9,200	100%	107%
Insurance	23,543	24,441	25,500	25,555	33,000	129%	129%
Legal -- General	4,490	5,560	7,000	7,000	7,000	100%	100%
Legal Fees -- Water Rights	4,540	520	2,000	2,500	2,500	100%	125%
Board Expenses	3,796	3,770	22,000	15,000	8,000	53%	36%
Master Plan Expenses	-	-	-	95,000	20,000	21%	0%
Misc Expenses	2,950	3,229	5,000	3,500	3,500	100%	70%
Ofc/Tele/Postage/Bank	8,695	8,951	9,500	7,500	8,500	113%	89%
Election	53	-	500	75	-		
Computer Support & Hardware	7,016	9,235	10,500	19,000	12,000	63%	114%
Windy Gap Water Fee	1,250	1,250	1,250	1,250	1,250	100%	100%
Forest Service Lease	7,008	7,481	7,625	7,500	7,625	102%	100%
Water Rights Engineering	8,935	3,840	22,500	14,600	16,000	110%	71%
TOTAL GENERAL AND ADMINISTRATION	271,350	273,924	335,956	421,657	338,879	80%	101%
TOTAL OPERATING EXPENSES	720,173	775,332	879,080	1,032,812	1,182,459	114%	135%
Operating contingency	-	-	83,909	-	143,798		171%
OPERATING INCOME BEFORE DEPRECIATION	625,446	508,914	297,811	302,088	8,944	3%	3%
Depreciation Expense	308,723	269,129	503,526	410,429	658,922	161%	131%
Loss on Retirement of Assets	-	63,117	-	-	-	0%	0%
OPERATING INCOME	315,126	177,715	(205,715)	(108,341)	(649,978)		
NON-OPERATING REVENUE							
Investment Income	191,681	298,027	75,000	77,000	10,000	13%	13%
Lease Revenue	30,372	31,181	31,800	31,000	32,000	103%	101%
Tap Fees	2,046,900	456,370	250,000	518,000	429,000	83%	172%
Development Review Fees	21,961	1,228	15,000	3,000	3,000	100%	20%
DOLA Grant	-	475,000	350,000	25,000	-	0%	0%
Non-operating revenue other	-	1,515	-	-	-	0%	0%
TOTAL NON-OPERATING REVENUES	2,290,915	1,263,321	721,800	654,000	474,000	72%	66%
Contribution of Assets	397,632	71,515	489,300	513,300	33,000	6%	7%
less total SYSTEM IMPROVEMENTS	(218,307)	(1,049)	(2,892,268)	(3,128,920)	(285,000)	9%	10%
plus Capitalized System Improvements	-	-	-	8,585,827	80,000		
CHANGE IN NET POSITION	2,810,560	1,511,502	(1,886,884)	6,515,866	(347,978)		
SYSTEM IMPROVEMENTS							
New Base II Tank	1,597	1,049	50,000	-	-		
Corrosion Control Implementation	-	-	60,000	67,290	-		
Base III Pump Station	216,710	-	2,782,268	3,061,630	-		
Engineering & Design	-	-	-	-	285,000		
TOTAL REVENUE AND EXPENSE (CASH BASIS)							
<i>Total Revenue (excludes Contribution of Assets)</i>	3,636,534	2,547,567		1,988,900	1,809,200		
<i>Total Expense (excludes Depreciation)</i>	938,480	6,032,430		4,161,732	1,611,256		
<i>Total Net</i>	2,698,054	(3,484,863)	-	(2,172,832)	197,944		

SNAKE RIVER WATER DISTRICT

2020 CAPITAL IMPROVEMENTS DESIGNATION

Funds dedicated per District Investment Policy*										\$	5,192,216		
2015 Total Net Revenue										\$	697,886		
2016 Total Net Revenue										\$	857,448		
2017 Total Net Revenue										\$	1,065,713		
2018 Total Net Revenue										\$	2,692,256		
2019 Total Net Revenue										\$	(3,484,863)		
2020 Total Net Estimated Revenue										\$	(2,172,832)		
PROJECTED CAPITAL BALANCE 12-31-20										\$	4,847,824		
*the Financial Investment Strategy approved by the Snake River Board of Directors on February 11, 2015 and updated on March 16, 2015 to reflect current balances, stated the Board's intent to designate \$5,192,216 to capital projects (see attachment "D" of the adopted financial investment strategy)													

2020 CAPITAL IMPROVEMENTS BUDGET

	Current Forecast Aggregate Project Costs	Total Prior Years' Expenditures	2020 Board Approved Budget	2020 Jan-Sep Actual Costs	2020 Oct-Dec Forecast Costs	2020 Total Estimated Expenditure	Estimated Aggregate Expenditures as of 12-31-20	2020 Year End Estimated % of BUDGET
System Projects/Large Maintenance/Operations								
New Base II Tank	\$5,200,000	\$28,252	\$50,000	\$0	\$0	\$0	\$28,252	0.0%
Corrosion Control	\$78,375	\$11,085	\$60,000	\$57,290	\$10,000	\$67,290	\$78,375	112.2%
New Water Treatment Facility at Base III	\$8,578,930	\$5,517,300	\$2,782,268	\$2,861,630	\$200,000	\$3,061,630	\$8,578,930	110.0%
Total	\$13,778,930	\$5,545,552	\$2,892,268	\$2,918,920	\$210,000	\$3,128,920	\$8,685,557	108.2%

SNAKE RIVER WATER DISTRICT							
2021 CAPITAL IMPROVEMENTS DESIGNATION							
CAPITAL IMPROVEMENT BUDGET							
-Carry Over from Prior Year						\$4,847,824	
-2020 Designation to Capital Account (from net revenue)						\$197,944	
-Transfer from Emergency Reserve						\$0	
PROJECTED CAPITAL SYSTEM IMPROVEMENT BALANCE 12-31-21						\$ 5,045,768	
2021 CAPITAL IMPROVEMENTS BUDGET							
CAPITAL IMPROVEMENT	Current Forecast Aggregate Project Costs	Total Expenditures Prior to 1-1-20	Forecast 2020 Expenditures as of 12-31-20	Proposed Budget for 2021	Aggregate Project Expenditures as of 12-31-21	Estimated Remaining Project Costs as of 12-31-21	Estimated % of Project Completed as of 12-31-21
New Base II Tank	\$5,200,000	\$28,252	\$0	\$0	\$28,252	\$5,171,748	1%
Corrosion Control	\$78,375	\$11,085	\$67,290	\$0	\$78,375	\$0	100%
Base III Water Treatment Facility	\$8,578,930	\$5,517,300	\$3,061,630	\$0	\$8,578,930	\$0	100%
Engineering and Design	\$285,000	\$0	\$0	\$285,000	\$285,000	\$0	100%
TOTALS	\$14,142,305	\$5,556,637	\$3,128,920	\$285,000	\$8,970,557	\$5,171,748	63%

SNAKE RIVER WATER DISTRICT							
Cash and Investment Balance Projections							
Year	Starting Investment Balance	Free Cash Flow	Investment & Lease Income	Tap & Dev Review Fees	System Improvements	Year End Investment Balance	Expected System Improvements Remaining
2021	\$ 5,704,182	\$ 152,741	\$ 42,000	\$ 432,000	\$ (285,000)	\$ 6,045,924	\$ 285,000
2022	\$ 6,045,924	\$ -	\$ -	\$ -	\$ -	\$ 6,045,924	\$ -
2023	\$ 6,045,924	\$ -	\$ -	\$ -	\$ -	\$ 6,045,924	\$ -
SRWD Cash & Investments			As of 9-30-20	1/1/2020			
First Bank Checking 1062			\$24,820	\$13,114			
First Bank Liquid Asset 9808			\$53,340	\$444,495			
Alpine			\$53,009	\$63,928			
Sigma			\$739,100	\$3,746,217			
ColoTrust			\$6,028,420	\$5,393,637			
Mt. View			\$247,764	\$245,000			
Total			\$7,146,453	\$9,906,391			
				Emergency Reserves	Capital System Improvement Balance 12/31/21	Unrestricted Cash Projection 12/31/21	
All Cash & Investments 1/1/2021			\$7,454,182	\$ 1,500,000			
All Cash & Investments 12/31/2021			\$7,652,126	\$ 1,500,000	\$ 5,045,768	\$1,106,358	
				Jan-Sept 2020	Oct-Dec 2020	Total 2020	
Net Operating Income before Depreciation & Contingency				\$ 249,600	\$ 52,488	\$ 302,088	
Total Non-operating Revenue				\$ 188,759	\$ 465,241	\$ 654,000	
System Improvements				\$ 2,918,920	\$ 210,000	\$ 3,128,920	
Calculating 2020 Total Non-operating Revenue				Jan-Sept 2020	Oct-Dec 2020	Total 2020	
Investment Income				\$ 62,806	\$ 14,194	\$ 77,000	
Lease Revenue				\$ 20,508	\$ 10,492	\$ 31,000	
Tap Fees				\$ 105,445	\$ 412,555	\$ 518,000	
DOLA Grant				\$ -	\$ 25,000	\$ 25,000	
Development Review Fees				\$ -	\$ 3,000	\$ 3,000	
Non-operating revenue - other				\$ -	\$ -	\$ -	
				\$ 188,759	\$ 465,241	\$ 654,000	

SNAKE RIVER WATER DISTRICT						
2021 EMERGENCY RESERVE						
		2017	2018	2019	2020	2021
		ACTUAL	ACTUAL	ACTUAL	APPROVED	BUDGETED
EMERGENCY RESERVE						
Carryover from previous years		\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$ 1,500,000
Capital Reserves Transfer		\$0	\$0	\$0	\$0	\$0
TOTAL EMERGENCY RESERVES		\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$ 1,500,000
EMERGENCY RESERVE EXPENDITURES						
<p>NO EXPENDITURES WERE MADE IN THIS ACCOUNT. THIS ACCOUNT SERVES AS AN EMERGENCY RESERVE TO FUND EMERGENCY AND CATASTROPHIC EXPENDITURES.</p>						
TOTAL EXPENDITURES		\$0	\$0	\$0	\$0	\$0
YEAR END RESERVE BALANCE						
		\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000