

BUDGET MESSAGE
(Pursuant to 29-1-103(1)(e), C.R.S.)

Perry Park Water and Sanitation District

The attached 2007 budget for the Perry Park Water and Sanitation District focuses on the maximization of renewable water supplies to reduce operating costs and to prolong the useful life of nonrenewable water supplies. Important features of the 2007 budget include: surface (renewable) water well easements, a pipeline from a renewable well completed in 2006 to a water treatment facility, and the acquisition of a water storage location. In addition, the budget includes funding to upgrade the Sageport Wastewater Treatment facility insuring ongoing regulatory compliance and funding for upgrades to the District's financial and billing systems, improving customer service.

The sources of revenue for the Perry Park Water and Sanitation District are from user charges, tap fees, development fees and property taxes.

The 2006 assessed valuation of the Perry Park Water and Sanitation District is \$62,981,267. The 2006 assessed valuation of the Perry Park Water District is \$46,700.

The 2007 budget for the Perry Park Water and Sanitation District was prepared in accordance with State budget laws, C.R.S. 29-1-101 and uses a modified accrual basis of accounting for estimates and budgets.

The 2007 budget is balanced in accordance with State budget laws.

The Perry Park Water and Sanitation District provides water and sanitation services to residents and businesses in the District. The District office is open daily from 8am to 4:30pm. To provide useful and current information to its customers the District created a website, www.ppwsd.org.

RESOLUTION TO ADOPT BUDGET
(Pursuant to 29-1-108, C.R.S.)

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE PERRY PARK WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2007, AND ENDING ON THE LAST DAY OF DECEMBER 2007.

WHEREAS, the Board of Directors of Perry Park Water and Sanitation District has appointed Diana Miller, District Manager to prepare and submit a proposed budget to said governing body at the proper time, and;

WHEREAS, Diana Miller, District Manager has submitted a proposed budget to this governing body on October 3, 2006, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 5, 2006 and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

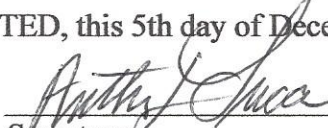
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PERRY PARK WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO:

Section 1. That the budget as submitted, amended and summarized by fund, hereby is approved and adopted as the budget of the Perry Park Water and Sanitation District for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by the Vice President and Secretary and made a part of the public records of the District.

ADOPTED, this 5th day of December, A.D., 2006.

Attest:


Secretary


Vice President

RESOLUTION TO APPROPRIATE SUMS OF MONEY
(Pursuant to Section 29-1-108, C.R.S)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE PERRY PARK WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE 2007 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 5, 2006, and;

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

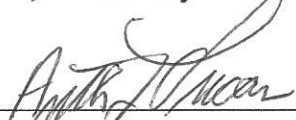
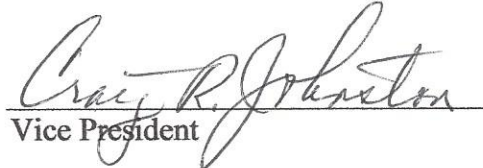
WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PERRY PARK WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for purposes stated:

Operations Fund	\$5,725,344
Debt Service Fund	\$ 382,895

ADOPTED, this 5th day of December, A.D. 2006.

Attest:  Secretary
 Vice President

RESOLUTION TO SET MILL LEVIES
(Pursuant to 39-5-128, C.R.S. and 39-1-111, C.R.S.)

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2007, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE PERRY PARK WATER DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE 2007 BUDGET YEAR.

WHEREAS, the Board of Directors of the Perry Park Water District, has adopted the annual budget in accordance with the Local Government Budget Law, on December 5, 2006 and;

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$0 and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue is \$0, and;

WHEREAS, the amount of money necessary to balance the budget for debt services is \$222, and;

WHEREAS, the 2006, valuation for assessment for the Perry Park Water District as certified by the County Assessor(s) is \$46,700;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PERRY PARK WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO:

Section 1. That for the purpose of meeting all of the expenses of the various funds of the Perry Park Water and Sanitation District during the 2007 budget year, there is hereby levied a tax of 0.0 mills upon each dollar of the total valuation for assessment of the taxable property within the District for the year 2007.

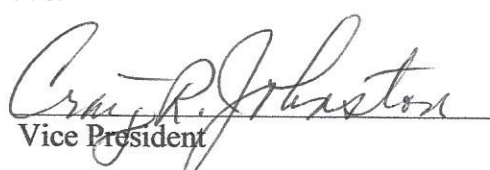
Section 2. That for the purpose of meeting all payments for bonds and interest of the Perry Park Water and Sanitation District during the 2007 year, there is hereby levied a tax of 4.754 mills upon each dollar of the total valuation for assessment of the taxable property within the District for the year 2007.

Section 3. That the Vice President is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the Perry Park Water and Sanitation District as hereinabove determined and set.

ADOPTED, this 5th day of December, A.D. 2006.

Attest:


Secretary


Vice President

RESOLUTION TO SET MILL LEVIES
(Pursuant to 39-5-128, C.R.S. and 39-1-111, C.R.S.)

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2007, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE PERRY PARK WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE 2007 BUDGET YEAR.

WHEREAS, the Board of Directors of the Perry Park Water and Sanitation District, has adopted the annual budget in accordance with the Local Government Budget Law, on December 5, 2006 and;

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$353,577, and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue is \$0, and;

WHEREAS, the amount of money necessary to balance the budget for debt services is \$299,413, and;

WHEREAS, the 2006, valuation for assessment for the Perry Park Water and Sanitation District as certified by the County Assessor(s) is \$62,981,267;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PERRY PARK WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO:

Section 1. That for the purpose of meeting all general operating expenses of the Perry Park Water and Sanitation District during the 2007 budget year, there is hereby levied a tax of 5.614 mills upon each dollar of the total valuation for assessment of the taxable property within the District for the year 2007.

Section 2. That for the purpose of meeting all payments for bonds and interest of the Perry Park Water and Sanitation District during the 2007 year, there is hereby levied a tax of 4.754 mills upon each dollar of the total valuation for assessment of the taxable property within the District for the year 2007.

Section 3. That the Vice President is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the Perry Park Water District as hereinabove determined and set.

ADOPTED, this 5th day of December, A.D. 2006.

Attest:


Secretary


Vice President

PERRY PARK WATER & SANITATION DISTRICT
SUMMARY
2007 BUDGET AS ADOPTED
WITH 2005 ACTUAL AND 2006 ESTIMATED
For the Years Ended and Ending December 31, 2006

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	ACTUAL 2005	ACTUAL 11/30/06	ESTIMATED 2006	ADOPTED 2007
BEGINNING FUNDS AVAILABLE	\$ 2,169,306	\$ 3,163,829	\$ 3,163,829	\$ 3,986,973
REVENUE				
Property taxes	623,668	623,283	640,906	652,858
Property taxes - HB 1006	3,778	5,311	5,309	6,601
Specific ownership tax	74,558	57,935	64,000	70,500
Availability fees	73,396	73,359	75,000	70,000
Investment income	69,467	134,243	142,732	150,000
Operating revenue	1,716,825	1,676,761	1,685,300	1,661,750
Total revenue	2,561,692	2,570,892	2,613,247	2,611,709
TRANSFERS IN	8,474	-	(27,597)	(18,581)
Total funds available	4,739,472	5,734,721	5,749,479	6,580,101
EXPENDITURES				
Administration expenses	276,576	282,907	348,682	389,391
Operating expenses	572,219	552,955	760,915	909,200
Debt Service				
Principal payments	325,000	330,000	330,000	350,000
Interest payment	51,034	36,600	36,600	26,400
Paying agent fees	2,029	250	1,500	2,000
Treasurer's fees	4,510	5,087	4,427	4,492
Capital outlay	335,802	191,135	307,979	4,426,750
Total expenditures	1,567,169	1,398,934	1,790,103	6,108,233
TRANSFERS OUT	8,474	-	(27,597)	(18,581)
Total expenditures and transfers out requiring appropriation	1,575,643	1,398,934	1,762,506	6,089,652
ENDING FUNDS AVAILABLE	\$ 3,163,829	\$ 4,335,786	\$ 3,986,973	\$ 490,448

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

PERRY PARK WATER & SANITATION DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31, 2006

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ACTUAL 2005	ACTUAL 11/30/06	ESTIMATED 2006	ADOPTED 2007
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ASSESSED VALUATION

Douglas County (4003)

Residential	\$36,832,360	\$41,500,610	\$ 41,500,610	\$ 44,244,510
Commercial	1,195,980	1,690,930	1,690,930	1,689,340
Industrial	96,210	116,580	116,580	116,580
Agricultural	49,980	36,270	36,270	36,270
Natural resources	10	10	10	10
State assessed	17,910	17,770	17,770	16,710
Vacant land	14,081,930	17,196,620	17,196,620	16,016,910
Personal property	1,441,230	1,546,110	1,546,110	1,463,527
	<u>53,715,610</u>	<u>62,104,900</u>	<u>62,104,900</u>	<u>63,583,857</u>
Adjustments - new growth	(324,180)	(512,030)	(512,030)	(636,680)
Certified Assessed Value	<u>\$53,391,430</u>	<u>\$61,592,870</u>	<u>\$ 61,592,870</u>	<u>\$ 62,947,177</u>

ASSESSED VALUATION

Douglas County - Debt Only (4049)

Agricultural	\$ 23,330	22,050	22,050	\$ 23,290
State assessed	460	450	450	430
Vacant	213,610	442,080	442,080	-
Personal property	20,320	21,630	21,630	22,980
	<u>257,720</u>	<u>486,210</u>	<u>486,210</u>	<u>46,700</u>
Adjustments	-	-	-	-
Certified Assessed Value	<u>\$ 257,720</u>	<u>\$ 486,210</u>	<u>\$ 486,210</u>	<u>\$ 46,700</u>

MILL LEVY

General	6.049	5.614	5.614	5.614
Debt Service	5.605	4.754	4.754	4.754
Temporary Mill Levy Reduction (pursuant to C.R.S.39-5-121)	-	-	-	-
Refund and abatements	-	-	-	-
Total mill levy	<u>11.654</u>	<u>10.368</u>	<u>10.368</u>	<u>10.368</u>

PROPERTY TAXES

General	\$ 322,965	\$ 345,782	\$ 345,782	\$ 353,385
Debt Service	300,703	295,124	295,124	299,473
Temporary Mill Levy Reduction	-	-	-	-
Refund and abatements	-	-	-	-
Levied property taxes	<u>\$ 623,668</u>	<u>\$ 640,906</u>	<u>\$ 640,906</u>	<u>\$ 652,858</u>

BUDGETED PROPERTY TAXES

General	\$ 322,965	\$ 345,782	\$ 345,782	\$ 353,385
General - HB1006	3,778	5,309	5,309	6,601
Debt Service	300,703	295,124	295,124	299,473
	<u>\$ 627,446</u>	<u>\$ 646,215</u>	<u>\$ 646,215</u>	<u>\$ 659,459</u>

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

PERRY PARK WATER & SANITATION DISTRICT
OPERATIONS FUND
2007 BUDGET AS ADOPTED
WITH 2005 ACTUAL AND 2006 ESTIMATED
For the Years Ended and Ending December 31, 2006

12/7/06

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	ACTUAL 2005	ACTUAL 11/30/06	ESTIMATED 2006	ADOPTED 2007
BEGINNING FUND BALANCE	\$ 2,169,306	\$ 3,163,829	\$ 3,163,829	\$ 3,986,973
REVENUE				
Operating revenue				
Bulk water sales	12,860	10,229	5,000	6,000
Development fees	290,050	333,100	322,600	300,000
Late charges on service fees	8,050	9,125	9,000	9,000
Other income	36,218	13,636	20,000	18,000
Meter sales	26,125	27,600	28,750	28,750
Miscellaneous fees	13,754	8,634	14,950	15,000
Stub Out and Lift Station Fees	20,350	17,340	30,000	30,000
Tap fees	547,700	527,350	500,000	500,000
Wastewater fees	344,751	339,384	355,000	355,000
Water sales	416,967	390,363	400,000	400,000
Non-operating revenue				
Property taxes	322,965	337,900	345,782	353,385
Property taxes - HB 1006	3,778	5,311	5,309	6,601
Specific ownership tax	74,558	31,370	34,000	38,500
Investment income	69,467	134,243	142,732	150,000
Total revenue	2,187,593	2,185,585	2,213,123	2,210,236
TRANSFERS IN				
Debt Service	-	-	-	-
Total transfers in	-	-	-	-
Total funds available	4,356,899	5,349,414	5,376,952	6,197,209
EXPENDITURES				
Administration				
Accounting	-	-	-	30,000
Audit	4,700	7,218	7,218	12,000
Bank charges	8,684	7,959	10,000	10,000
Consultants	(5,989)	30,262	30,000	20,000
Director's fees	4,700	5,300	6,000	7,200
Community relations/newsletter	2,354	3,970	10,000	12,000
Election expense	-	5,891	5,891	-
Insurance	27,035	22,749	25,000	25,000
Legal fees	29,674	53,758	60,000	40,000
Miscellaneous expense	1,032	-	-	10,000
Office supplies/expenses	11,271	8,272	16,200	16,200
Dues & subscriptions	6,468	6,819	7,500	7,700
Payroll (taxes/benefits)	169,864	109,698	150,373	160,000
Repairs & maintenance - office	2,090	9,190	6,500	11,500
Treasurers' fees	5,218	6,007	6,000	5,301
Treasurers' fees - HB1006	-	-	-	990
Utilities - office	8,544	5,082	6,500	6,500
Travel & education	931	732	1,500	15,000

CONTINUED:

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

PERRY PARK WATER & SANITATION DISTRICT
OPERATIONS FUND
2007 BUDGET AS ADOPTED
WITH 2005 ACTUAL AND 2006 ESTIMATED
For the Years Ended and Ending December 31, 2006

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ACTUAL 2005	ACTUAL 11/30/06	ESTIMATED 2006	ADOPTED 2007
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Operations				
Annual report preparation	-	800	800	800
Chemical expense	18,695	19,006	23,000	23,000
Computer software/support	3,512	4,439	8,000	25,000
Contracted services	-	1,856	3,000	3,000
Fuel expense	8,482	8,184	10,800	-
Master plan upgrade/mapping/service plan	2,000	1,002	5,000	40,000
Operations contractor	228,003	254,100	277,200	292,800
Permits - operations	3,194	3,311	5,000	5,000
Repairs & maintenance - operations	11,364	10,961	75,000	75,000
Tank evaluation and maintenace	2,650	-	-	4,000
Generator & Cathodic Protection Maintenance	5,068	10,215	10,215	10,000
Parts expense	10,725	16,097	15,000	15,000
Raise manholes/hydrant replacement	-	-	5,000	5,000
Unscheduled	35,168	32,740	100,000	100,000
Rules and Regulations	-	-	-	60,000
Service line locates	3,671	1,588	1,600	1,600
Sewer cleaning	9,290	4,126	5,000	18,000
Sludge hauling	38,593	44,529	45,000	45,000
Telemetry lines	4,676	3,070	4,000	4,000
Testing - water & sewer	11,143	7,668	12,000	20,000
Uniforms	-	287	300	500
Utilities - operations	152,905	127,911	154,000	158,000
Vehicle fuel/maint/repair	23,079	1,067	1,000	3,500
Capital outlay	335,802	191,135	307,979	4,426,750
Total expenditures	<u>1,184,596</u>	<u>1,026,997</u>	<u>1,417,576</u>	<u>5,725,341</u>
TRANSFERS OUT				
Debt Service	8,474	-	(27,597)	(18,581)
Total transfers out	<u>8,474</u>	<u>-</u>	<u>(27,597)</u>	<u>(18,581)</u>
Total expenditures and transfers out requiring appropriation	<u>1,193,070</u>	<u>1,026,997</u>	<u>1,389,979</u>	<u>5,706,760</u>
ENDING FUND BALANCE	<u>\$ 3,163,829</u>	<u>\$ 4,322,417</u>	<u>\$ 3,986,973</u>	<u>\$ 490,448</u>
EMERGENCY RESERVE	<u>\$ 14,100</u>	<u>\$ 15,300</u>	<u>\$ 15,800</u>	<u>\$ 16,500</u>

PERRY PARK WATER & SANITATION DISTRICT
DEBT SERVICE FUND
2007 BUDGET AS ADOPTED
WITH 2005 ACTUAL AND 2006 ESTIMATED
For the Years Ended and Ending December 31, 2006

12/7/06

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	ACTUAL 2005	ACTUAL 11/30/06	ESTIMATED 2006	ADOPTED 2007
BEGINNING FUND BALANCE	\$ -	\$ (0)	\$ (0)	\$ -
REVENUE				
Property taxes	300,703	285,383	295,124	299,473
Specific ownership tax	-	26,565	30,000	32,000
Availability fees	73,396	73,359	75,000	70,000
Interest income	-	-	-	-
Total revenue	374,099	385,306	400,124	401,473
TRANSFERS IN				
Operations	8,474	-	(27,597)	(18,581)
Total transfers in	8,474	-	(27,597)	(18,581)
Total funds available	382,573	385,306	372,527	382,892
EXPENDITURES				
Principal payments	325,000	330,000	330,000	350,000
Interest payment	51,034	36,600	36,600	26,400
Paying agent fees	2,029	250	1,500	2,000
Treasurer's fees	4,510	5,087	4,427	4,492
Total expenditures	382,573	371,937	372,527	382,892
TRANSFERS OUT				
Operations	-	-	-	-
Total transfers out	-	-	-	-
Total expenditures and transfers out requiring appropriation	382,573	371,937	372,527	382,892
ENDING FUND BALANCE	\$ (0)	\$ 13,369	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

PERRY PARK WATER & SANITATION DISTRICT
CAPITAL PROJECTS SCHEDULE
2007 BUDGET AS ADOPTED
WITH 2005 ACTUAL AND 2006 ESTIMATED
For the Years Ended and Ending December 31, 2006

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ACTUAL 2005	ACTUAL 11/30/06	ESTIMATED 2006	ADOPTED 2007
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EXPENDITURES

Capital outlay

A2 Well Redrill	-	11,001	30,000	350,000
Billing/accounting programs/computers	-	-	3,000	45,000
Country Club Dr water main extension	-	-	-	332,750
District office - Building and Equipment	12,481	1,080	6,000	16,000
Glen Grove Well Redrill and Piping	5,972	75,500	100,000	150,000
East Plum Creek well easements	-	2,225	20,000	150,000
East Plum Creek well and pipeline	-	-	-	300,000
Echo Hills vault piping	-	-	-	23,000
Extend mains/stubs for paving/sewer rehab	-	-	-	15,000
Garage/chemical storagae Waucondah	-	20,914	25,000	40,000
Hog John Tanks	50,900	3,292	3,292	-
Hydrant and Meter Replacement	-	-	-	20,000
Install new valves (2 ea) @ Echo Hills tank site	-	-	-	-
Mainline Extension Reimbursement	1,965	-	5,000	10,000
Quartz Mountain PRV Replacement	-	33,344	33,344	-
Mainline Extension Expense (Engineering, Legal etc	2,234	265	10,000	80,000
Miscellaneous Equipment	-	-	10,000	10,000
Portable sewage tank	-	16,323	16,343	-
Reservoirs	200,595	1,903	5,000	2,000,000
Security	61,655	-	1,000	10,000
Water & sewer mapping (digitize)	-	-	-	25,000
Water Storage Tanks	-	-	-	100,000
Waucondah/Sageport wastewater upgrade	-	25,288	40,000	500,000
Contingency	-	-	-	250,000
Total expenditures	335,802	191,135	307,979	4,426,750

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

**PERRY PARK WATER & SANITATION DISTRICT
DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$ 1,635,000 General Obligation Refunding Bonds Dated June 2004 Interest rate 2.25% - 3.50% Interest payable January 1 and July 1 Principal payable July 1		
	Principal	Interest	Total
2006	\$ 330,000	\$ 36,600	\$ 366,600
2007	350,000	26,400	376,400
2008	360,000	15,300	375,300
2009	270,000	4,725	274,725
	<u>\$ 1,310,000</u>	<u>\$ 83,025</u>	<u>\$ 1,393,025</u>

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.