

EC EAST WATER & SANITATION DISTRICT

December 28, 2025

Division of Local Government

Via: E-Filing Portal

RE: EC East Water & Sanitation District
LG ID #68174

Attached is the 2026 Budget for the EC East Water & Sanitation District in Elbert County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on October 28, 2025. If there are any questions on the budget, please contact Mr. Eric Weaver, telephone number 970-926-6060 Ext. 6.

The mill levy certified to the County Commissioners of Elbert County is 0.000 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 0.000 mills for G.O. bonds; 0.000 mills for refund/abatement; and (0.000) mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$10 the total property tax revenue is \$0. A copy of the certification of mill levies sent to the County Commissioners for Elbert County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Elbert County, Colorado.

Sincerely,



Eric Weaver
District Accountant

Enclosure(s)

Financial Management Provided By Marchetti & Weaver, LLC

Mountain Office
28 Second Street, Suite 213
Edwards, CO 81632
(970) 926-6060

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245 Century Circle, Suite 103
Louisville, CO 80027
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RESOLUTION NO. 2025-10-02

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF EC EAST WATER &
SANITATION DISTRICT, ELBERT COUNTY, COLORADO, PURSUANT TO
SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR
EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY
FOR THE BUDGET YEAR 2026**

A. The Board of Directors of EC East Water & Sanitation District (the “**District**”) has appointed Marchetti & Weaver, LLC to prepare and submit a proposed budget to said governing body at the proper time.

B. Marchetti & Weaver, LLC has submitted a proposed budget to this governing body on October 28, 2025 for its consideration.

C. 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 October 28, 2025, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. 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.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues 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 EC EAST WATER & SANITATION DISTRICT, ELBERT COUNTY, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on October 28, 2025.

**EC EAST WATER & SANITATION
DISTRICT**

By: Tim Craft
President

Attest:

By: Lisa Jacoby
Secretary

EXHIBIT A

Budget

EC EAST WATER & SANITATION DISTRICT

2026

BUDGET MESSAGE

EC East Metropolitan Districts Nos. 1-5, Commercial Metropolitan District, Industrial Metropolitan District, Overlay Metropolitan District, and Water & Sanitation District are quasi-municipal corporations organized and operated pursuant to provisions set forth in the Colorado Special District Act. The Water & Sanitation District will be responsible for constructing and operating water and sewer facilities for the community. The EC East Community Authority Board will to be responsible for construction of other improvements within the community as well as providing administrative and operational support for all of the Districts (except for the Water & Sanitation District), with funding for both operations and debt service to be provided by the remaining Districts. Districts 2-5, Commercial, Industrial, and Overlay are all currently inactive.

The District has no employees and all operations and administrative functions are contracted.

The following budget is prepared using the modified accrual basis of accounting. Although the District operates as a single Enterprise fund, the District separately tracks operational, debt service, and capital via the use of sub-funds.

The Districts were formed with the primary purposes to finance construction of public improvements as defined in the Service Plan and to operate and maintain such public improvements that are not otherwise dedicated or conveyed to other governmental entities.

BUDGET STRATEGY

The District's strategy in preparing the 2026 budget is to strive to provide the scope of services defined in the service plan in the most economic manner possible.

REVENUE

The District did not certify a mill levy for 2026 collection and will rely on developer advances to fund any shortfalls in funding.

EXPENDITURES

The District budgeted for operational expenditures to be accounted for in the General Fund and does not anticipate any activity in the Debt Service or Capital Projects Funds.

EC East Water & Sanitation District
Statement of Net Position
September 30, 2025

	General Fund	Debt Service Fund	Capital Fund	Fixed Assets & LTD	Total
ASSETS					
CASH					
KeyBank Checking	-				-
Pooled Cash	-				-
TOTAL CASH	-	-	-	-	-
OTHER CURRENT ASSETS					
Due From County Treasurer	-				-
Property Tax Receivable	-				-
Prepaid Expense	-				-
TOTAL OTHER CURRENT ASSETS	-	-	-	-	-
FIXED ASSETS					
Construction in Progress				-	-
TOTAL FIXED ASSETS	-	-	-	-	-
TOTAL ASSETS	-	-	-	-	-
LIABILITIES & DEFERED INFLOWS					
CURRENT LIABILITIES					
Accounts Payable	167				167
TOTAL CURRENT LIABILITIES	167	-	-	-	167
DEFERRED INFLOWS					
Deferred Property Taxes	-				-
TOTAL DEFERRED INFLOWS	-	-	-	-	-
LONG-TERM LIABILITIES					
Developer Payable- Capital				-	-
Developer Payable- Operations				-	-
Accrued Int- Developer Payable- Ops	-			-	-
Accrued Int- Developer Payable- Cap					-
TOTAL LONG-TERM LIABILITIES	-	-	-	-	-
TOTAL LIAB & DEF INFLOWS	167	-	-	-	167
NET POSITION					
Inv in Capital Assets					-
Amount to be Provided for Debt				-	-
Fund Balance- Non-Spendable	-				-
Fund Balance- Restricted	1,500		-		1,500
Fund Balance- Unassigned	(1,667)				(1,667)
TOTAL NET POSITION	(167)	-	-	-	(167)
	=	=	=	=	=

EC East Water & Sanitation District
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

Print Date: 12/2/25

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
COMBINED FUNDS									
REVENUE									
Tap Fees	-	-	-	-	-	-	-	-	
Storm Drainage Fee	-	-	-	-	-	-	-	-	
Interest & Other Income	-	-	-	-	-	-	-	-	
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
<u>Administration</u>									
Accounting	-	14,000	4,000	10,000	-	10,500	10,500	35,000	Estimated need
Audit	-	2,000	2,000	-	-	2,000	2,000	-	Exemption Included In Accounting
Legal	-	15,000	5,000	10,000	167	11,250	11,083	45,000	Estimated need
District Management	-	-	-	-	-	-	-	10,000	Estimated need
Election	-	-	-	-	-	-	-	500	Estimated need
Insurance, Bonds & SDA Dues	-	10,000	9,000	1,000	-	10,000	10,000	3,300	Estimated need
Website & Miscellaneous Other	-	1,000	1,000	-	-	750	750	3,000	Estimated need
Contingency	-	8,000	(17,000)	25,000	-	6,000	6,000	50,000	Unforeseen Needs
<u>Debt Service</u>									
Bond Interest	-	-	-	-	-	-	-	-	
Bond Principal	-	-	-	-	-	-	-	-	
Debt Issuance Expense & Trustee Fees	-	-	-	-	-	-	-	-	
Contingency	-	-	-	-	-	-	-	-	
<u>Capital Outlay</u>	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	-	50,000	4,000	46,000	167	40,500	40,333	146,800	
REVENUE OVER / (UNDER) EXPENDITURES	-	(50,000)	4,000	(46,000)	(167)	(40,500)	40,333	(146,800)	
OTHER SOURCES / (USES)									
Developer Advances	-	50,000	-	50,000	-	40,500	(40,500)	153,000	To Cover Shortfall
Bond Proceeds & Premium	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	-	50,000	-	50,000	-	40,500	(40,500)	153,000	
CHANGE IN FUND BALANCE	-	-	4,000	4,000	(167)	-	(167)	6,200	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	4,000	
ENDING FUND BALANCE	-	-	4,000	4,000	(167)	-	(167)	10,200	
COMPONENTS OF FUND BALANCE	=	=	=	=	=	=	=	=	
Non-Spendable	-	-	1,050	1,050	-	-	-	3,465	
TABOR Emergency Reserve	-	-	1,500	1,500	1,500	-	-	4,590	
Restricted For Debt Service	-	-	-	-	-	-	-	-	
Restricted for Capital Projects	-	-	-	-	-	-	-	-	
Unassigned	-	-	1,450	1,450	(1,667)	-	-	2,145	
TOTAL ENDING FUND BALANCE	-	-	4,000	4,000	(167)	-	(167)	10,200	
	=	=	=	=	=	=	=	=	

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

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GENERAL FUND									
REVENUE									
Interest Income		-	-	-	-	-	-	-	
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
Administration									
Accounting	-	14,000	4,000	10,000	-	10,500	10,500	35,000	Estimated need
Audit		2,000	2,000	-	-	2,000	2,000	-	Exemption Included In Accounting
District Management	-	-	-	-	-	-	-	10,000	Estimated need
Legal	-	15,000	5,000	10,000	167	11,250	11,083	45,000	Estimated need
Office Supplies, Bill.com Fees, Other	-	1,000	1,000	-	-	750	750	1,500	Estimated need
Election	-	-	-	-	-	-	-	500	Estimated need
Insurance, Bonds & SDA Dues	-	10,000	9,000	1,000	-	10,000	10,000	3,300	Estimated need
Website	-	-	-	-	-	-	-	1,500	Estimated need
Contingency /Emergencies/Misc		8,000	(17,000)	25,000		6,000	6,000	50,000	Unforeseen Needs
TOTAL EXPENDITURES	-	50,000	4,000	46,000	167	40,500	40,333	146,800	
REVENUE OVER / (UNDER) EXPENDITURES	-	(50,000)	4,000	(46,000)	(167)	(40,500)	40,333	(146,800)	
OTHER SOURCES / (USES)									
Transfers In/(Out)	-	-	-		-	-	-	-	
Developer Advances Received	-	50,000	-	50,000	-	40,500	(40,500)	153,000	To Cover Shortfall
TOTAL OTHER SOURCES / (USES)	-	50,000	-	50,000	-	40,500	(40,500)	153,000	
CHANGE IN FUND BALANCE	-	-	4,000	4,000	(167)	-	(167)	6,200	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	4,000	
ENDING FUND BALANCE	-	-	4,000	4,000	(167)	-	(167)	10,200	
	=	=	=		=	=	=	=	

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DEBT SERVICE									
REVENUE									
Tap Fees		-	-	-		-	-	-	
Storm Drainage Fee		-	-	-		-	-	-	
Interest Income		-	-	-		-	-	-	
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
Bond Interest		-	-			-	-	-	
Bond Principal			-			-	-	-	
Paying Agent Fees		-	-			-	-	-	
Contingency /Emergencies/Misc			-			-	-	-	
TOTAL EXPENDITURES	-	-	-	-	-	-	-	-	
REVENUE OVER / (UNDER) EXPENDITURES	-	-	-	-	-	-	-	-	
OTHER SOURCES / (USES)									
Transfers In/(Out)		-	-	-		-	-	-	
Bond Proceeds		-	-	-		-	-	-	
Bond Premium (Discount)			-	-		-	-	-	
Cost of Issuance		-	-	-		-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	-	
CHANGE IN FUND BALANCE	-	-	-	-	-	-	-	-	
BEGINNING FUND BALANCE		-	-	-		-	-	-	
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	
COMPONENTS OF FUND BALANCE:	=	=	=		=	=	=	=	
Capitalized Interest Fund	-	-	-	-	-			-	
Reserve Fund	-	-	-	-	-			-	
Bond Payment Fund	-	-	-	-	-			-	
TOTAL ENDING FUND BALANCE	-	-	-	-	-			-	
	=	=	=	=	=			=	

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	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
CAPITAL PROJECTS									
REVENUE									
Interest Income		-	-	-		-	-	-	
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
Accounting			-	-		-	-	-	
District Management			-	-		-	-	-	
Legal			-	-		-	-	-	
Engineering			-	-		-	-	-	
Water Capital Improvements		-	-	-		-	-	-	
Wastewater Capital Improvements		-	-	-		-	-	-	
Irrigation Capital Improvements		-	-	-		-	-	-	
Contingency /Emergencies/Misc			-	-		-	-	-	
TOTAL EXPENDITURES	-	-	-	-	-	-	-	-	
REVENUE OVER / (UNDER) EXPENDITURES	-	-	-	-	-	-	-	-	
OTHER SOURCES / (USES)									
Transfers In/(Out)		-	-	-		-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	-	
CHANGE IN FUND BALANCE	-	-	-	-	-	-	-	-	
BEGINNING FUND BALANCE		-	-	-		-	-	-	
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	
	=	=	=		=	=	=	=	

I, Lisa Jacoby, hereby certify that I am the duly appointed Secretary of the EC East Water & Sanitation District, and that the foregoing is a true and correct copy of the budget for the budget year 2026, duly adopted at a meeting of the Board of Directors of the EC East Water & Sanitation District held on October 28, 2025.

Lisa Jacoby

Secretary