

W/J METROPOLITAN DISTRICT

January 30, 2024

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

VIA: Electronic Filing LGID# 65328

Attached is the 2024 Budget for the W/J Metropolitan District in Pitkin County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This Budget was adopted on October 30, 2023. If there are any questions on the budget, please contact Mr. Kenneth J. Marchetti, telephone number 970-926-6060.

The mill levy certified to the County Commissioners of Pitkin County is 52.084 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 \$7,515,300, the total property tax revenue is \$391,426.89. A copy of the certification of mill levies sent to the County Commissioners for Pitkin 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 Pitkin County, Colorado.

Sincerely,



Kenneth J Marchetti
District Accountant

Enclosure(s)

W/J METROPOLITAN DISTRICT

2024 BUDGET MESSAGE

W/J Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to supply the necessary services of water, wastewater treatment and disposal, roads and road maintenance, pedestrian trails, trash collection, landscaping, lighting, and traffic and safety protection.

The District has one seasonal employee for snowplowing and all other operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2024 BUDGET STRATEGY

The District was formed in late 2004 and began operating in early 2005. The District is comprised of approximately 65 affordable home sites and six free market sites and is completely built out.

The primary services the District will provide are treatment and delivery of potable water, maintenance and replacement when necessary of individual sewage disposal systems (septic systems), maintenance of the roads and trash collection. The District will provide certain other related services such as maintenance of landscaping and open space, etc.

The District will have three primary sources to fund its budgetary needs:

1. Service fees to be imposed upon the constituents in the District to pay for a portion of the services rendered.
2. In 2006, the District began collecting property taxes to pay for a portion of the services provided by the District and to pay debt service on the District's borrowings.
3. Proceeds from bonds or other forms of indebtedness to be used for construction of water, street and sanitary sewer improvements. The District has no outstanding debt at this time.

The District anticipates that service fees will pay for a portion of the operating expenses and currently the remainder of the funds to pay for operating expenses and capital replacements will be paid from property taxes. Additionally, the District does not anticipate borrowing funds at this time for capital projects.

RESOLUTIONS OF W/J METROPOLITAN DISTRICT

TO ADOPT 2024 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE W/J METROPOLITAN DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024 AND ENDING ON THE LAST DAY OF DECEMBER 2024.

WHEREAS, the Board of Directors of the W/J Metropolitan District has appointed a budget committee to prepare and submit a proposed 2024 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, 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, and a public hearing was held on October 30, 2023, 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 the 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 W/J Metropolitan District, Pitkin County, Colorado:

Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the W/J Metropolitan District for the year stated above, as it may be adjusted for immaterial changes in the final certified assessed value of the District as certified by the county assessor and corresponding budget adjustments resulting from such changes to the assessed value. In the event there are material changes to the assessed value then a subsequent meeting of the Board shall be called to consider such changes. Furthermore, to the extent specific capital expenditures budgeted and forecasted for the current year are unable to be completed by the end of the current year, the budget for such expenditures shall be transferred into next year's budget and the budgeted beginning fund balance for next year's budget shall be updated to reflect.

Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2023, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO, FOR THE 2024 BUDGET YEAR.

WHEREAS, the Board of Directors of the W/J Metropolitan District, has adopted the annual budget in accordance with the Local Government Budget Law, on October 30, 2023 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$391,426.89 and;

WHEREAS, the W/J Metropolitan District hereby documents its intent to preserve its voter approved mill levy rate of 48.500 mills as adjusted for changes in the method of calculating the assessed value and to provide property tax relief by a temporary reduction in property taxes in accordance with C.R.S. 39-1-111.5, and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$0.00, and;

WHEREAS, the 2023 valuation for assessment for the W/J Metropolitan District, as certified by the County Assessor is \$7,515,300.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO:

Section 1. That for the purposes of meeting all general operating expenses of the W/J Metropolitan District during the 2024 budget year, there is hereby levied a tax of 52.084 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

Section 2. That for the purposes of rendering a temporary credit/refund to its constituents during budget year 2024 there is hereby levied a temporary tax credit/mill levy reduction of 0.000 mills (or 0.000 mills in the event Proposition HH is passed by Colorado voters) upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

Section 3. That for the purpose of meeting all capital expenditures of the W/J Metropolitan District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

TO SET MILL LEVIES (CONTINUED)

- Section 4. That for the purpose of meeting all payments for bonds and interest of the W/J Metropolitan District during the 2024 budget year, there is hereby levied a tax of 0.000 mills (or 0.000 mills in the event Proposition HH is passed by Colorado voters) upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.
- Section 5. That for the purpose of recouping refunds and abatements of the W/J Metropolitan District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.
- Section 6. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Pitkin County, Colorado, the mill levies for the W/J Metropolitan District as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Pitkin County, Colorado, the mill levies for the W/J Metropolitan District as hereinabove determined and set based upon the final (December) certification of valuation from the county assessor.

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RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

TO APPROPRIATE SUMS OF MONEY
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO, FOR THE 2024 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on October 30, 2023, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to 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 W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO:

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

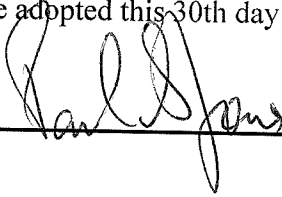
GENERAL FUND:	
Current Operating Expenses	\$381,778
Capital Expenditures	<u>\$ 426,000</u>
TOTAL GENERAL FUND:	\$807,778

RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

**TO ADOPT 2024 BUDGET, SET MILL LEVIES AND
APPROPRIATE SUMS OF MONEY
(CONTINUED)**

The above resolutions to adopt the 2024 budget, set the mill levies and to appropriate sums of money were adopted this 30th day of October, 2023.

Attest: _____



Title: Chairman

W/J METRO DISTRICT

GENERAL FUND

1/30/2024

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

MODIFIED ACCRUAL BASIS

					12 Months		
	2022 Unaudited Actual	2023 Adopted Budget	2023 Amended Budget	2023 Forecast	Ended 12/31/2023 Actual	2024 Adopted Budget	
ASSESSED VALUE							
Total Assessed Value	6,349,080	5,909,400	5,909,400	5,909,400		7,515,300	Final AV 12-29-23
Percent Increase (Decrease)	-2.85%	-6.93%	-6.93%	-6.93%		27.18%	
MILL LEVIES							
Operating Mill Levy	48.500	50.197	50.197	50.197		52.084	
Debt Service Mill Levy	0	0	0	0		0	
Temporary Mill Levy Credit	0.000	(1.697)	(1.697)	(1.697)			Temporary Mill Levy Credit
Total Mill Levy	48.500	48.500	48.500	48.500		52.084	
Operating Property Taxes Levied	307,930	296,634	296,634	296,634		391,427	AV x Mills
Less Abatements							
Debt Service Property Tax Levied	0	0	0	0		0	
Temporary Mill Levy Credit	0	(10,028)	(10,028)	(10,028)		0	
Total Property Tax Levied	307,930	286,606	286,606	286,606		391,427	
Units							
Vacant Affordable	0	0	0	0		0	
Affordable	65	65	65	65		65	
Free Market	5	6	6	6		6	
Vacant Free Market	1	0	0	0		0	
	71	71	71	71		71	
Septic Replacements per Year	8	8	8	8		8	
Fees							
Service Fee - Deed Restricted	45.56	49.20	49.20	49.20		51.17	Incr by 4% Inflation, monthly rate
Service Fee - Free Market	136.69	147.63	147.63	147.63		153.54	Incr by 4% Inflation, monthly rate
Tap Fees - Deed Restricted	2,000	2,000	2,000	2,000		2,000	Same as previous
Tap Fees - Free Market	6,000	6,000	6,000	6,000		6,000	Same as previous
REVENUE							
Property Taxes for General Operations	307,930	286,606	286,606	286,606	282,472	391,427	Per Above
Specific Ownership (Automobile) Taxes	10,987	11,464	11,464	11,464	10,220	15,657	4% of Prop Tax
Water & Sewer Service Fees	45,378	49,009	49,009	49,009	49,008	50,966	4% Incr w-Inflation
Tap Fees-Water Connections	9,000	0	0	0	0	0	Fully Built Out
Tap Fees - Repl of Existing ISDS Systems	0	2,000	2,000	2,000	0	2,000	Assumes 1
Interest Income	20,431	23,130	23,130	60,000	63,731	54,699	4.5% of Fund Balance
Septic Inspection Fees	0	0	0	0	0	0	Homeowner not Metro
Other Income	438	0	0	400	75,341	0	None Budgeted
TOTAL REVENUE	394,165	372,209	372,209	409,479	480,965	514,749	

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

W/J METRO DISTRICT

GENERAL FUND

1/30/2024

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

MODIFIED ACCRUAL BASIS

	2022		2023		12 Months		Budget Explanation
	Unaudited Actual	Adopted Budget	Amended Budget	2023 Forecast	Ended 12/31/2023 Actual	2024 Adopted Budget	
EXPENDITURES							
General and Administrative Expenses							
Accounting	7,000	9,850	9,850	6,500	5,633	0	2023 Budget + 4% Incr
Administration	0	0	0	0	0	0	
Bank Fees	74	70	70	70	130	70	
Consulting - Accounting & Administration	9,564	11,907	11,907	11,907	18,405	22,000	2023 Budget + 4% Incr
Election	1,000	5,000	5,000	1,500	1,516	1,500	Small Cost for list & mailing
Insurance	12,803	14,950	14,950	14,000	13,770	14,700	2023 Forecast + 5% Incr
Legal	17,049	5,400	5,400	2,500	0	5,000	
Office Overhead/Dues & Memberships	1,017	2,160	2,160	2,160	2,730	2,160	Same as '23 Budget
Treasurer's Fees	15,407	16,629	16,629	14,330	14,147	19,571	5% of Prop Tax Collections
Total General and Administrative Expenses	63,914	65,965	65,965	52,967	56,331	65,001	
Operations Expenses							
Reudi Water Rights Op, Mtce & Repl	174	390	390	390	0	500	Proportionate Share of Reudi O&M Co
Landscape & Common Area Maintenance	1,204	2,500	2,500	0	0	2,500	2023 Budget
District Operations & Mgt (Zancanella)	13,558	10,800	10,800	10,800	3,173	10,800	Same as 2023 Budget
Engineering - General	0	18,500	18,500	0	0	0	Included in ISDS Replacement Costs
Equipment Repairs and Maintenance	971	5,670	5,670	0	0	0	Selling both
Road Repairs and Maintenance	0	5,718	5,718	6,000	6,011	8,400	Annual Crack Seal w/40% Incr
Septic System Repairs & Maintenance	6,822	21,600	70,000	70,000	66,936	76,200	71 Pumping w/Incr Costs + Ops
Septic Inspections	0	3,000	3,000	3,000	1,207	3,000	Req 72 Septic Insp every other yr
Snow Removal	18,715	20,000	40,000	40,000	40,575	44,000	Based on '23 Forecast w/10% incr
Trash Removal	22,806	22,680	27,000	27,840	30,361	28,954	Avg \$2,257 per month w/4% Incr
Dumpster Cleaning	1,575	1,750	1,750	1,750	1,750	1,750	Same as last year
Water System Repairs and Maintenance	25,983	26,000	47,000	47,000	48,631	49,820	Incr cost for Chlorine, dialers & fees
Water System Operations	23,170	28,350	28,350	28,350	22,626	33,051	6% Incr Per Zancanella
Weed Control	6,859	5,500	5,500	5,500	5,385	6,240	2023 Forecast w-4% incr
Annual Contract-Upper Booster System Gene	0	0	0	1,600		1,600	Annual Fee
Utilities-Electric	16,427	18,900	18,900	18,900	17,591	19,656	2023 Budget w-4% incr
Utilities-Natural Gas	408	756	756	756	497	786	2023 Budget w-4% incr
Utilities-Internet	567	2,600	2,600	1,320	1,352	1,440	Fixed rate for 2 years
Contingency	0	27,000	27,000	0	0	28,080	2023 Budget w-4% incr
Total Operations Expenses	139,240	221,714	315,434	263,206	246,094	316,777	
Total G&A and Operations Expenses	203,154	287,679	381,399	316,173	302,425	381,778	
Operating Surplus (Deficit)	191,011	84,529	(9,191)	93,306	178,541	132,970	

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

W/J METRO DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED
MODIFIED ACCRUAL BASIS

1/30/2024

	12 Months					2024 Adopted	Explanation
	2022 Unaudited Actual	2023 Adopted Budget	2023 Amended Budget	2023 Forecast	Ended 12/31/2023 Actual		
CAPITAL EXPENDITURES							
ISDS Systems							
Repair/Replace ISDS Systems	0	25,647	25,647	0	0	225,000	Zanc est replace 2 per year
Repair/Replace ISDS Leach Fields		8,240	8,240	0			Per Long Range Plan
Roads							
Snow Plow	0				0		
Skidsteer							
Vehicle Equipment Storage	0				0		
Asphalt Overlay Engineering Report							
Asphalt Overlays	0	0	0		0	0	
Asphalt Overlay of Lower Bullwinkle - Yr 20							
Asphalt Overlay of Upper Bullwinkle & Byers - Yr 20							
Repair of Free Market Road - Yr 20							
Asphalt Overlay Stevens Street							
Other							
Upper Bullwinkle Trail	0				0		
Trash Enclosure & Gate	0	0	0		0	0	
Water Systems							
Wellhouse Electrical Upgrades		95,000	95,000	0		195,000	Electrical Upgrades & Water System
Home Water Meter Installation						0	Improvements
Well #2 Replacement	0				0		
W/J River Pipeline	0				0		
Water Distribution System	0				0		
Water Storage Tank							
Fire Hydrants		0	0			0	
None Routine Testing	0	28,100	28,100		0	0	
Motors, Pumps and Controllers	51,612		0	8,000	0		
Lot 5 Waterline							
Water Rights							
Acquisition of BLM Water Rights							
Debt Financing for BLM Water Rights							
BLM Reudi Water Rights Principal	0				0		Paid off in 2019
BLM Reudi Water Rights Interest	0				0		Paid off in 2019
Augmentation Plan/Water Legal	11,671	1,500	1,500	14,000	19,913	6,000	PNoto est for exchange & well water ri
TOTAL CAPITAL EXPENDITURES	63,283	158,487	158,487	22,000	19,913	426,000	
TOTAL EXPENDITURES	266,437	446,166	539,886	338,173	322,338	807,778	
EXCESS REV OVER (UNDER) EXPEND	127,728	(73,958)	(167,678)	71,306	158,628	(293,030)	
Fund Balance-Beginning of Year	1,087,806	1,156,487	1,215,534	1,215,534	1,215,534	1,286,840	
Fund Balance-End of Year	1,215,534	1,082,529	1,047,857	1,286,840	1,374,162	993,810	
	=	=	=	=	=	=	
Components of Fund Balance							
Operating Reserve		287,679	381,399	316,173		381,778	
Capital Replacement Reserve		794,850	666,458	970,667		612,032	
Total		<u>1,082,529</u>	<u>1,047,857</u>	<u>1,286,840</u>		<u>993,810</u>	

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

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Pitkin County, Colorado.

On behalf of the W/J Metropolitan District

(taxing entity)^A

the Board of Directors

(governing body)^B

of the W/J Metropolitan District

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 7,515,300

(Gross^D assessed valuation, Line 2 of the Certification of Valuation From DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

\$ 7,515,300

(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 1/10/2024 (not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2024 (yyyy)

Table with 3 columns: PURPOSE, LEVY², and REVENUE². Rows include General Operating Expenses, Temporary General Property Tax Credit, General Obligation Bonds, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other. Total: 52.084 mills, \$ 391,426.89.

Contact person: (print) Kenneth J Marchetti

Daytime phone: (970) 926-6060

Signed: [Signature]

Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S. with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation). DLG70 (Rev.6/16)