

W/J METROPOLITAN DISTRICT

January 15, 2022

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

VIA: Electronic Filing LGID# 65328

Attached is the 2022 Budget for the W/J Metropolitan District in Pitkin County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on October 25, 2021. 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 48.801 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 0.301 mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$6,349,080, the total property tax revenue is \$307,930.38. 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

2022 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.

2022 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. 64 of the affordable home sites are constructed at this time with one vacant lot under construction. Two (2) of the free market home sites remains vacant.

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 2022 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 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board of Directors of the W/J Metropolitan District has appointed a budget committee to prepare and submit a proposed 2022 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 25, 2021, 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 AltaColorado Metropolitan District No.1 for the year stated above, as adjusted for immaterial changes in the final certified assessed value of the District as certified by the county assessor and corresponding 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 capital or significant operating expenditures forecasted for the current year are anticipated to be extended into the following year, the expenditures and offsetting change in the budgeted beginning fund balance shall be updated to reflect management's best estimate at the time the budget is to be filed with the Colorado Division of Local Affairs.

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.

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RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2021, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO, FOR THE 2022 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 25, 2021 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$309,841.45 and;

WHEREAS, the W/J Metropolitan District finds that it shall temporarily lower the general operating mill levy to render a refund for \$1,911.07, 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 2021 valuation for assessment for the W/J Metropolitan District, as certified by the County Assessor is \$6,349,080.

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 2022 budget year, there is hereby levied a tax of 48.801 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2021.
- Section 2. That for the purposes of rendering a refund to its constituents during budget year 2022 there is hereby levied a temporary tax credit/mill levy reduction of 0.301 mills.
- Section 3. That for the purpose of meeting all capital expenditures of the W/J Metropolitan District during the 2022 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 2021.

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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 2022 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 2021.

Section 5. 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 2022 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on October 25, 2021, 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	\$235,204
Capital Expenditures	<u>\$ 121,150</u>
TOTAL GENERAL FUND:	\$356,354

RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

**TO ADOPT 2022 BUDGET, SET MILL LEVIES AND
APPROPRIATE SUMS OF MONEY
(CONTINUED)**

The above resolutions to adopt the 2022 budget, set the mill levies and to appropriate sums of money were adopted this 25th day of October, 2021.

Attest: Wayne Attridge

Title: Chairman

W/J METRO DISTRICT

GENERAL FUND

Printed: 12/1/2021

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED, MODIFIED ACCRUAL BASIS

	2020 Unaudited Actual	2021 Adopted Budget	Variance Favorable (Unfav)	2021 Forecast	8 Months	8 Months	Variance Favorable (Unfavor)	2022 Adopted Budget	
					Ended 8/31/2021 Actual	Ended 8/31/2021 Budget			
ASSESSED VALUE									
Total Assessed Value	6,580,630	6,535,360		6,535,360				6,349,080	Final AV 11-30-21
Percent Increase (Decrease)		-0.69%						-2.85%	
MILL LEVIES									
Operating Mill Levy	48.785	48.789		48.789				48.830	Mill Levy-Not Gallagherized
Debt Service Mill Levy	0	0		0				0	
Temporary Mill Levy Credit	(0.285)	(0.289)		(0.289)				(0.330)	Temp Levy Credit
Total Mill Levy	48.500	48.500		48.500				48.500	
Operating Property Taxes Levied Less Abatements	321,036	318,854	0	318,854				310,026	AV x Mills
Debt Service Property Tax Levied	0	0		0				0	
Temporary Mill Levy Credit	(1,875)	(1,889)		(1,889)				(2,095)	
Total Property Tax Levied	319,161	316,965		316,965				307,930	
Units									
Vacant Affordable	0	0		0				0	
Affordable	65	65		65				65	
Free Market	5	5		5				5	
Vacant Free Market	1	1		1				1	Lot 3
	71	71	0	71				71	
Septic Replacements per Year	8	8		8				8	
Fees									
Service Fee - Deed Restricted	42.54	43.39		43.39		2.17		45.56	Incr by 5% Inflation, monthly rate
Service Fee - Free Market	127.63	130.18		130.18		6.51		136.69	Incr by 5% Inflation, monthly rate
Tap Fees - Deed Restricted	2,000	2,000		2,000				2,000	Same as previous
Tap Fees - Free Market	6,000	6,000		6,000				6,000	Same as previous
REVENUE									
Property Taxes for General Operation	319,160	316,965	0	316,965	314,983	309,358	5,625	307,930	Per Above
Specific Ownership (Automobile) Tax	10,341	11,094	0	11,094	6,745	6,471	274	12,933	3.5% of Prop Tax
Water & Sewer Service Fees	42,366	43,217	1	43,218	32,413	32,413	(0)	45,379	5% Increase
Tap Fees-Water Connections	0	6,000	0	6,000	0	6,000	(6,000)	6,000	Parcel 2 or Lot 3
Tap Fees - Repl of Existing ISDS Syst	0	2,000	0	2,000	0	1,333	(1,333)	2,000	Assumes 1
Interest Income	5,670	5,500	(4,700)	800	550	3,667	(3,117)	500	
Septic Inspection Fees	0	0	0	0	0	0	0	0	Homeowner not Metro
Other Income	462	0	350	350	336	0	336	0	None Budgeted
TOTAL REVENUE	377,999	384,776	(4,350)	380,427	355,026	359,242	(4,216)	374,742	

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

W/J METRO DISTRICT

GENERAL FUND

Printed: 12/1/2021

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED, MODIFIED ACCRUAL BASIS

	2020	2021	Variance	2021	8 Months	8 Months	Variance	2022	Budget
	Unaudited	Adopted	Favorable		Forecast	Ended	Ended	Favorable	
	Actual	Budget	(Unfav)		8/31/2021	8/31/2021	(Unfavor)	Budget	Explanation
EXPENDITURES									
General and Administrative Expenses									
Accounting	7,195	8,000	0	8,000	4,495	5,333	838	9,120	Based on '21 Budget w 14% Incr
Administration	0	0	0	0	0	0	0	0	None Budgeted
Bank Fees	66	66	0	66	25	44	19	69	Petty Cash Monthly Fee
Consulting - Accounting & Administrat	14,031	10,500	0	10,500	6,314	7,159	845	11,025	Based on '21 Forecast w 5% Incr
Election	843	0	(500)	500	0	0	0	5,000	Assumes cancel + addtl req
Insurance	11,851	11,924	0	11,924	11,765	11,924	159	13,116	Based on '21 Forecast w/10% Incr
Legal	810	5,000	0	5,000	398	3,333	2,935	5,000	Based on '21 Forecast
Office Overhead/Dues & Memberships	740	2,000	0	2,000	1,033	1,333	300	2,000	Based on '21 Forecast
Treasurer's Fees	16,015	15,848	0	15,848	15,760	15,468	(292)	15,397	5% of Property Tax
Total General and Administrative Ex	51,552	53,338	(500)	53,838	39,791	44,595	4,804	60,727	
Operations Expenses									
Reudi Water Rights Op, Mtce & Repl	221	361	0	361	0	0	0	361	Proportionate Share of Reudi O&M Cc
Landscape & Common Area Maintena	6,030	3,250	0	3,250	689	2,600	1,911	3,250	Based on '21 Forecast
District Operations & Mgt (Zancanella)	6,050	10,000	0	10,000	4,052	6,667	2,615	10,000	Based on '21 Forecast
Engineering - General	2,167	0	(300)	300	292	0	(292)	0	Separate from Water & Sewer
Equipment Repairs and Maintenance	2,008	5,000	0	5,000	3,407	3,333	(73)	5,250	Based on '21 Forecast w 5% Incr
Road Repairs and Maintenance	3,500	4,000	0	4,000	0	3,200	3,200	4,200	Annual Crack Seal w/5% Incr
Septic System Repairs & Maintenance	7,149	20,000	0	20,000	146	13,333	13,187	20,000	Pumping & Minor Repairs
Septic Inspections	0	2,500	0	2,500	0	1,667	1,667	0	Req 72 Septic Insp every other yr
Snow Removal	15,678	16,500	0	16,500	9,543	8,250	(1,293)	17,325	Based on '21 Forecast w 5% Incr
Trash Removal	15,369	15,120	(1,826)	16,946	11,298	10,080	(1,218)	17,400	\$1,450 per mo on avg
Dumpster Cleaning	1,715	1,750	0	1,750	875	1,167	292	1,750	Based on 2021 Forecast
Water System Repairs and Maintenar	30,318	15,000	(5,000)	20,000	16,097	10,000	(6,097)	21,000	Based on '21 Forecast w 5% Incr
Water System Operations	21,454	35,000	10,000	25,000	16,344	23,333	6,989	26,250	Based on '21 Forecast w 5% Incr
Weed Control	2,348	2,700	(625)	3,325	3,325	2,025	(1,300)	3,491	Based on '21 Forecast w 5% Incr
Utilities-Electric	14,560	17,500	0	17,500	10,576	11,667	1,091	17,500	Based on '21 Forecast
Utilities-Natural Gas	211	700	0	700	243	467	224	700	Based on '21 Forecast
Utilities-Telephone	779	1,000	0	1,000	554	667	112	1,000	Based on '21 Forecast
Contingency	0	25,000	0	25,000	0	16,667	16,667	25,000	Based on '21 Budget
Total Operations Expenses	129,557	175,381	2,250	173,132	77,440	115,122	37,681	174,477	
Total G&A and Operations Expense	181,109	228,719	1,750	226,970	117,231	159,716	42,485	235,204	
Operating Surplus (Deficit)	196,890	156,057	(2,600)	153,457	237,795	199,526	38,269	139,538	

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

W/J METRO DISTRICT

GENERAL FUND

1/0/1900

Printed: 12/1/2021

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED, MODIFIED ACCRUAL BASIS

	2020	2021	Variance	2021	8 Months	Ended	Variance	2022	
	Actual	Adopted Budget	(Unfav)	Forecast	Ended 8/31/2021 Actual	Ended Budget	(Unfavor)	Adopted	Explanation
CAPITAL EXPENDITURES									
ISDS Systems									
Repair/Replace ISDS Systems	3,223	35,000	0	35,000	0	26,250	26,250	24,900	Per Zanc est, all ISDS related Cap exp
Repair/Replace ISDS Leach Fields			0			0	0	8,000	Per Long Range Plan
Roads			0				0		
Snow Plow	0		0		0	0	0		
Skidsteer			0			0	0		
Vehicle Equipment Storage	0	25,000	0	25,000	0	25,000	25,000		
Asphalt Overlay Engineering Report						0	0		
Asphalt Overlays	0	0	0	0	0	0	0	0	
Asphalt Overlay of Lower Bullwinkle - Yr 20			0			0	0		
Asphalt Overlay of Upper Bullwinkle & Byers - Yr 20			0			0	0		
Repair of Free Market Road - Yr 20			0			0	0		
Asphalt Overlay Stevens Street									
Other									
Upper Bullwinkle Trail	0		0		0	0	0		
Trash Enclosure & Gate	0	0	0	0	0	0	0	0	
Water Systems									
Well #2 Replacement	0		0		0	0	0		
W/J River Pipeline	0		0		0	0	0		
Water Distribution System	0		0		0	0	0	50,000	Per Long Range Plan
Water Storage Tank			0	0		0	0		
Fire Hydrants		0	0	0		0	0	0	
None Routine Testing	0				0	0	0		
Motors, Pumps and Controllers	9,256	35,000	0	35,000	584	35,000	34,416	36,750	Per Long Range Plan
Lot 5 Waterline	0				0	0	0		
Water Rights									
Acquisition of BLM Water Rights						0	0		
Debt Financing for BLM Water Rights						0	0		
BLM Reudi Water Rights Principal	0		0		0	0	0		Paid off in 2019
BLM Reudi Water Rights Interest	0		0		0	0	0		Paid off in 2019
Augmentation Plan/Water Legal	363	1,500	0	1,500	1,004	1,000	(4)	1,500	Est for ongoing due diligence
TOTAL CAPITAL EXPENDITURES	12,842	96,500	0	96,500	1,588	87,250	85,662	121,150	
TOTAL EXPENDITURES	193,950	325,219	1,750	323,470	118,819	246,966	128,147	356,354	
EXCESS REV OVER (UNDER) EXPE	184,049	59,557	(2,600)	56,957	236,207	112,276	123,931	18,388	
Fund Balance-Beginning of Year	711,168	863,716	31,501	895,217	895,217	863,716	31,501	952,174	
Fund Balance-End of Year	895,217	923,273	28,901	952,174	1,131,424	975,992	155,432	970,562	
	=	=	=	=	=	=	=	=	
Components of Fund Balance									
Operating Reserve	181,109	228,719	(1,750)	226,970				235,204	
Capital Replacement Reserve	714,108	694,554	30,651	725,205				735,358	
Total	895,217	923,273	28,902	952,174				970,562	

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:

\$ 6,349,080
(Gross^D assessed valuation, Line 2 of the Certification of Valuation Form 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:

\$ 6,349,080
(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: 12/10/2021
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2022.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>48.801</u> mills	\$ <u>309,841.45</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>(0.301)</u> mills	\$ <u>(1,911.07)</u>
SUBTOTAL FOR GENERAL OPERATING:	48.500 mills	\$ 307,930.38
3. General Obligation Bonds and Interest ^J	0.000 mills	\$ -
4. Contractual Obligations ^K	0.000 mills	\$ -
5. Capital Expenditures ^L	0.000 mills	\$ -
6. Refunds/Abatements ^M	0.000 mills	\$ -
7. Other ^N (specify): _____	0.000 mills	\$ -
_____	0.000 mills	\$ -
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	48.500 mills	\$ 307,930.38

Contact person: Kenneth J Marchetti Daytime phone: (970) 926-6060
 Signed: *Kj Marchetti* 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)