

LETTER OF BUDGET TRANSMITTAL

Blue Mountain Water District

DLG #: 30010

Date: December 23, 2023

To: Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

Attached is the 2024 budget and budget message for the **Blue Mountain Water District** in Jefferson County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted Thursday, November 16<sup>th</sup>, 2023. If there are any questions on the budget, please contact Ken Hoyer, Treasurer, at telephone number: (303) 642-3876 and mailing address:

Blue Mountain Water District  
P.O. Box 16789  
Golden, CO 80402

The mill levy certified to the county commissioners is 18.376 mills for all general operating purposes (not G.O. Bonds and interest or contractual obligations approved at elections or levies for capital expenditures). This is based on an assessed valuation of \$ 9,795,429.

Pursuant to the results of the District's election the District is not subject to any statutory limitation placed on property tax revenue as imposed by Article X, Section 20 (TABOR), nor Section 29-1-301 (5.5% Limit) or any other law.

In the November 4, 2008 election, electors in the Districts approved a mill levy increase of 20 mills to a total of 31.405 mills. That approved mill levy is reduced for 2024 by a temporary (one year) mill levy reduction. Our minutes from the November 2023 meeting reflect a resolution stating that, since we expected a temporary mill levy reduction, the exact mill levy reduction was adjusted after the adoption of the budget to incorporate the finalized valuation shown above.

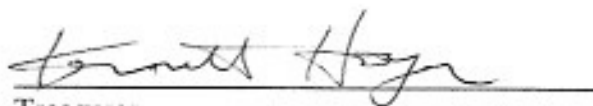
Enclosed please find a copy of the certification of mill levies sent to the county commissioners.

**AN INCREASE LEVY BEYOND THE PROPERTY TAX REVENUE LIMIT IS NOT BEING REQUESTED.**

I hereby certify that the enclosed are true and accurate copies of the adopted 2024 budget of the Blue Mountain Water District and certification of tax levies to the Board of County Commissioners.

Signature of Officer:

Title:

  
Treasurer

## Blue Mountain Water District 2024 BUDGET MESSAGE

**District Services:** Blue Mountain Water District provides filtered and treated water to the Blue Mountain Subdivision in Jefferson County, with a population of approximately 320 residents in 116 single family dwellings. The water is pumped from deep wells developed and maintained by the District, which is not directly connected to any other source, including any other municipal or commercial water purveyor. The District is managed by an unpaid elected Board, has no employees, and contracts with outside companies to operate the District.

**Basis of Accounting:** The basis of accounting used in the preparation of the 2024 Budget is the Cash method. The District's 2024 Budget includes projected revenues, which are derived mainly from water sales and property taxes. The 2024 Budget also includes expenditures for operating and maintaining the system, capital improvements required by new regulations, and buildings and treatment facilities for filtration, contaminant removal and chlorination.

### Main Features of the Budget

**Operating Fund:** The General Operating Fund includes a temporary (one year) reduction in mill levy rate to 18.376 mills from our voter authorized limit of 31.405 mills. This reduction is based on total assessed valuation, the statutory "5.5% Limit" and our desire to capture \$180,000 in revenue.

By election in November 1995, the District is authorized to retain and expend for District purposes such operating revenues, without limit, whether or not they exceed the revenues or expenditures of the previous year. The total assessed valuation increased from \$7,130,521 to \$9,795,429, (+37.4%). All Operating Funds and reserves are appropriated and transferred as needed to support the planned capital projects.

In the November 3<sup>rd</sup>, 2020 election the public approved allowing the District to increase our debt from \$0 to \$800,000 for capital improvements. Those funds were spent, as planned, on an additional 100,000 gallons of water storage in the District. Construction has been completed on that project, and the storage is in service. Our 2024 Budget includes debt service for those funds.

**Capital Projects Fund:** An expected future expense is a major improvement to our treatment plant to stop using our effluent pond, as required by recent regulatory changes. A set of proposed changes have been submitted to the state, but the state has not responded with comments to the engineering plans that were submitted. While we expect this to require more capital than we currently have in our operating fund, we do not expect to proceed with construction until plans are approved. For this reason, no funds were budgeted for this purpose for 2024. In anticipation of this eventual expenditure, however, we have been allowing our cash and reserves to grow appropriately.

Another significant project is to upgrade our residential meters to improve our metering accuracy and efficiency. Water loss due to leaks have increased in number due to the age of our equipment. We suspect that many meters are under-reporting the actual water use due to mechanical wear. Our water resource is limited to the recharge that our wells receive, and is crucial to our homeowners. Water loss and undetected consumption are also critical so managing these events is important. We have replaced approximately half of the residential meters in 2023. We are continuing to install meters and expect to finish this project in 2024.

In 2023 the District proceeded with a project to try to determine a more accurate estimate of the total water available in our aquifer. Our District is entirely dependent on the water in our aquifer, and this knowledge will be used to better understand our supply and plan for the future. We have recently completed a new, deeper well than the others we now use for our water supply. This was an expensive project, costing around \$500,000. The

data from this project is currently under analysis and we estimate an additional \$20,000 will be required to complete this project in 2024.

A few additional projects are progressing in 2023 and should be completed before budget year 2024. The installation of new pumps in Pump Station 3 required some work on the building housing those pumps. The water storage tank at Pump Station 2 had to be recoated with a new waterproof barrier coating. We are expecting to do the same treatment to the storage tank at Water Treatment Plant 1 before 2024. The costs are around \$25,000 for each treatment plant for this work.

The ending cash including reserves for 2024 are estimated at approximately \$507,176, which is sufficient for District operating purposes, but will not likely cover the cost of future plant improvements.

**Emergency Reserve Fund:** This fund is mandated by TABOR at 3% of current year non-debt expenditures.

CERTIFIED RECORD  
OF  
PROCEEDINGS RELATING TO  
**BLUE MOUNTAIN WATER DISTRICT**  
JEFFERSON COUNTY, COLORADO  
AND THE BUDGET HEARING  
FOR FISCAL YEAR  
2024



## RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE BLUE MOUNTAIN WATER DISTRICT, JEFFERSON COUNTY, 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 Blue Mountain Water District has authorized its Budget Committee to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held November 16<sup>th</sup>, 2023, and interested electors 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 so that the budget remains in balance, as required by law,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BLUE MOUNTAIN WATER DISTRICT OF JEFFERSON COUNTY, COLORADO:

Section 1. 2024 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2024 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Designation of Ending Fund Balances as Reserves. That pursuant to Const. Colo. Article X, Section 20, the December 31, 2023, ending fund balance of the General Fund, the exact amount to be determined as part of the audit of the December 31, 2023 financial statements, is designated as a general reserve for future contingencies.

Section 4. Adoption of Budget for 2024. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Blue Mountain Water District for calendar year 2024.

Section 5. 2024 Levy of General Property Taxes. That the budget indicates that the amount of money necessary to balance the budget for the General Fund for operating expenses is \$ 180,000 and the amount necessary to balance the budget for the Debt Service Fund for retirement of debt, bonds and interest thereon and payment of any contractual obligation approved by a majority of the qualified electors of the District is \$ - 0 -, for a total of \$ 180,000. That the expected 2023 valuation for assessment, to be certified by the Jefferson County Assessor, is \$ 9,795,429.

A. Levy for General Fund. That for the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 18.376 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024. This will be accomplished by a temporary reduction for one year in the mill levy from the maximum 31.405 mills approved by the voters of the district.

B. Levy for Debt Service Fund. That for the purpose of meeting all debt retirement expenses of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of - 0 - mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2024.

Section 6. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 7. Certification. That Director Hoyer, as Treasurer of the District, is hereby authorized and directed to immediately certify to the County Commissioners of Jefferson County, Colorado, the mill levies for the District hereinabove determined and set. That said certification shall be in substantially the following form:

**CERTIFICATION OF TAX LEVIES**

TO: COUNTY COMMISSIONERS OF JEFFERSON COUNTY, COLORADO:

For the budget year 2024, the **Blue Mountain Water District** of Jefferson County, Colorado, hereby certifies a total levy of **18.376** mills to be extended by you upon the total assessed valuation of **\$ 9,795,429** to produce a total of **\$ 180,000** in revenue. The levies and revenue are for the following purposes:

	<u>Levy</u>	<u>Amount</u>
1. General Operating Expenses	<u>31.405</u> mills	\$ <u>307,625</u>
2. <u>Temporary Mill Levy Reduction/</u> Temporary Property Tax Credit:	( <u>13.029</u> mills)	( \$ <u>127,625</u> )
<b>SUBTOTAL</b>	<b><u>18.376</u> mills</b>	<b><u>\$ 180,000</u></b>
3. General Obligation Bonds and Interest:	<u>- 0 -</u> mills	\$ <u>- 0 -</u>
4. Contractual Obligations Approved at Election:	<u>- 0 -</u> mills	\$ <u>- 0 -</u>
5. Capital Expenditures:	<u>- 0 -</u> mills	\$ <u>- 0 -</u>
6. Refunds/Abatements:	<u>- 0 -</u> mills	\$ <u>- 0 -</u>
7. Other <u>      N/A      </u>	<u>- 0 -</u> mills	\$ <u>- 0 -</u>
<b>TOTAL</b>	<b><u>18.376</u> mills</b>	<b><u>\$ 180,000</u></b>

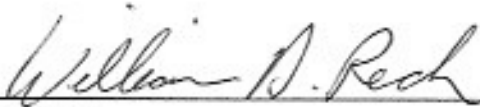
Subst. **FORM DLG 70**



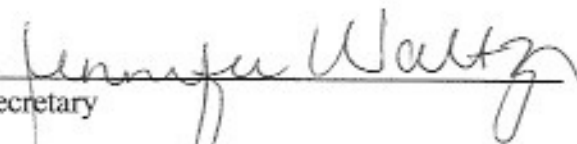
Section 8. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

The foregoing Resolution was seconded by Director Rech.

ADOPTED AND APPROVED this Thursday, November 16<sup>th</sup>, 2023.

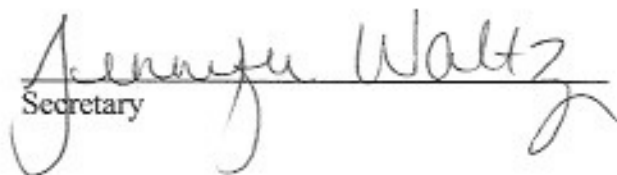
  
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary

BLUE MOUNTAIN WATER DISTRICT		2024 Budget					
Revision 3	Actual 2022	Actual Jan - Aug 23	Estimated Sep - Dec 23	Estimated Total 2023	Budget 2023	Budget 2024	Budget 2024 Notes
BEGINNING CASH & RESERVES	1,196,995	1,121,840	1,088,394	1,121,840	1,068,773	506,354	Yellow shows input that overrides proration.
		8					
<b>REVENUES:</b>		Months to date					
<b>OPERATING REVENUE</b>							
WATER SALES	111,899	63,104	30,000	93,104	110,000	100,000	
STANDBY CHARGES	0	0	0	0	0	0	included in Water Sales
TAP FEES	56,000	0	0	0	28,000	0	
DEPOSITS PAID	0	0	0	0	0	0	
DEPOSIT REFUNDS ( - )	0	0	0	0	0	0	
<b>TOTAL OPERATING REVENUE</b>	167,899	63,104	30,000	93,104	138,000	100,000	
<b>NON-OPERATING REVENUE</b>							
EARNED INTEREST	4,220	30,516	10,000	40,516	4,380	22,000	est somewhat lower than 2023
PROPERTY TAXES	133,743	133,990	0	133,990	134,000	180,000	
S.O. TAXES	9,244	6,182	3,091	9,273	12,000	12,000	
OTHER INCOME / (REFUND)	266,218	659	0	659	0	0	
<b>TOTAL NON-OPERATING REVENUE</b>	413,425	171,347	13,091	184,438	150,380	214,000	
<b>TOTAL REVENUE</b>	581,324	234,451	43,091	277,542	288,380	314,000	
<b>TOTAL AVAILABLE FUNDS</b>	1,778,319	1,356,291	1,131,485	1,399,382	1,357,153	820,354	
<b>EXPENDITURES:</b>							
<b>OPERATING EXPENSE</b>							
RECURRING OPERATIONS	22,461	24,709	12,355	37,064	32,880	32,880	
MAINT SOURCE LABOR	4,300	7,930	3,965	11,895	3,600	7,200	
MAINT SOURCE MTLs	0	0	0	0	1,000	1,000	
MAINT TREATMENT LABOR	10,360	2,170	1,085	3,255	12,000	12,000	
MAINT TREATMENT MTLs	2,394	288	144	432	3,000	3,000	
MAINT DISTRIBUTION LABOR	38,733	59,059	29,530	88,589	48,000	48,000	
MAINT DISTRIBUTION MTLs	3,651	253	127	380	4,500	4,500	
MAINT BUILDING LABOR	6,755	5,375	2,688	8,063	15,600	15,600	
MAINT BUILDING MTLs	0	0	0	0	2,000	2,000	
QUALITY TESTING	2,790	7,657	3,829	11,486	4,000	10,000	
UTILITIES	13,662	11,160	5,580	16,740	16,600	16,600	
<b>TOTAL OPERATING EXPENSE</b>	105,106	118,601	59,301	177,902	143,180	152,780	
<b>CAPITAL EXPENSE</b>							
WATER RIGHTS	0	0	0	0	0	0	
CAPITAL SOURCE	0	0	500,000	500,000	150,000	20,000	new est of deep well cost for 2023
CAPITAL TREATMENT	0	0	0	0	4,500	4,500	
CAPITAL DISTRIBUTION	497,539	96,427	25,000	121,427	125,000	50,000	clearwell relining costs
CAPITAL BUILDING	0	0	0	0	0	0	
<b>TOTAL CAPITAL EXPENSE</b>	497,539	96,427	525,000	621,427	279,500	74,500	
<b>DEBT SERVICE</b>	29,528	25,370	25,370	50,740	50,740	50,740	25370 x 2 per year
<b>GEN. &amp; ADMIN. EXPENSE</b>							
LEGAL, AUDITS, FEES	7,213	11,807	6,400	18,207	12,000	12,000	7000 audit/5000 legal
ACCOUNTING SERVICES	10,269	6,881	3,441	10,322	12,000	12,000	
OFFICE EXPENSE	3,194	2,241	1,121	3,362	3,300	3,300	
INSURANCE	1,622	4,559	4,500	9,059	5,500	5,500	ins due Dec 2023
CNTY TREASURER'S FEES	2,008	2,011	0	2,011	1,938	2,358	
<b>TOTAL G &amp; A EXPENSE</b>	24,306	27,499	15,461	42,960	34,738	35,158	
<b>TOTAL EXPENSE</b>	656,479	267,897	625,132	893,029	508,158	313,178	
<b>ACCUM. EXPENSE</b>	656,479	267,897	625,132	893,029	508,158	313,178	
EMERGENCY FUND @ 3%	19,694	8,037	18,754	26,791	15,245	9,395	
<b>INCOME LESS EXPENSES</b>	(75,155)	(33,446)	(582,041)	(615,487)	(219,778)	822	
<b>ENDING CASH &amp; RESERVES</b>	1,121,840	1,088,394	506,354	506,354	848,995	507,176	
<b>CASH LESS RESERVES</b>	1,102,146	1,080,357	487,600	479,563	833,750	497,780	

I, Jen Waltz, hereby certify that I am a Director and the duly elected and qualified Secretary of the Blue Mountain Water District, and that the foregoing is a true and correct copy of the budget and budget message for the fiscal year 2024, duly adopted at a meeting of the Board of Directors of the Blue Mountain Water District held on Thursday, November 16<sup>th</sup>, 2023.

  
Secretary

STATE OF COLORADO    )  
   )  
 COUNTY OF JEFFERSON   ) ss.  
   )  
 BLUE MOUNTAIN WATER DISTRICT    )

I, Jen Waltz, Secretary of Blue Mountain Water District, Jefferson County, Colorado, do hereby certify that the foregoing pages numbered Page 1 to Page 9, inclusive, constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a public hearing held at a regular meeting of the Board held via Zoom teleconference on Thursday, November 16<sup>th</sup>, 2023, at the hour of 7:30 p.m., through appropriate action of the Board as reflected in the minutes, as recorded in the official record of the proceedings of the District kept in my office, insofar as said proceedings relate to the budget hearing for fiscal year 2024; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this Thursday, November 16<sup>th</sup>, 2023.

(SEAL)



*Jennifer Waltz*  
 Secretary