

WHEAT RIDGE WATER DISTRICT

RESOLUTION NO. 2024-12-01

**RESOLUTION ADOPTING BUDGET, IMPOSING MILL LEVY AND
APPROPRIATING FUNDS FOR 2025**

WHEREAS, the Board of Directors (“Board”) of Wheat Ridge Water District (“District”) has appointed the District Accountant to prepare and submit a proposed 2025 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2024 for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 12, 2024, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer 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; and

WHEREAS, the Board of Directors of the District has made provisions 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 provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Wheat Ridge Water District:

1. That estimated expenditures for each fund are as follows:

Enterprise Fund:	\$ 6,905,050
Total	\$ 6,905,050

2. That estimated revenues are as follows:

<u>Enterprise Fund:</u>	
From unappropriated surpluses	\$ 594,955
From fund transfers	\$ 0
From sources other than general property tax	\$ 6,310,095
Total	\$ 6,905,050

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget for the 2025 fiscal year. In the event of recertification of values by the County Assessor’s Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section shall be deemed ratified by the Board.

4. That the budget, as hereby approved and adopted, subject to any adjustments due to final assessed valuation, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Wheat Ridge Water District:

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Daniels Sanitation District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, 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, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Wheat Ridge Water District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

Enterprise Fund:	<u>\$ 6,905,050</u>
Total Sums Appropriated	\$ 6,905,050

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Adopted this 12th day of November, 2024.

WHEAT RIDGE WATER DISTRICT

By: Clancy Degenhart
Clancy Degenhart, Chairman

Attest:

Signed by:
Kelly Baillie
DDD3B201654A42F...
Kelly Baillie, Secretary

WHEAT RIDGE WATER DISTRICT

ADOPTED BUDGET

For The Year Ending December 31, 2025

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Wheat Ridge Water District
Jefferson County, Colorado

Management is responsible for the accompanying budget of estimated revenues, expenditures, and fund balances for the water enterprise fund of Wheat Ridge Water District for the year ending December 31, 2025, including estimated comparative information for the year ending December 31, 2024, and the actual comparative information for the year ending December 31, 2023, and the related budget message and summary of significant assumptions in the format prescribed by C.R.S. §§ 29-1-103 and 29-1-105.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budgets, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budgets.

The budgeted results may not be achieved as there will generally be differences between the budgeted and actual results. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying budgets and this report were prepared for the purpose of estimating revenues, expenditures and fund balances as required by governmental entities within the State of Colorado in accordance with C.R.S. §§ 29-1-103 and 29-1-105, and should not be used for any other purpose. The accompanying budgets are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

Morain Bakarich, CPAs

Morain Bakarich, CPAs
Golden, Colorado
January 29, 2025

**WHEAT RIDGE WATER DISTRICT
ENTERPRISE FUND BUDGET
For the Year Ending December 31, 2025**

	ACTUAL 2023	ADOPTED BUDGET 2024	ESTIMATED BUDGET 2024	ADOPTED BUDGET 2025
ESTIMATED REVENUES:				
WATER SALES	\$ 4,795,454	\$ 5,800,348	\$ 5,368,268	\$ 5,905,095
WATER SERVICE TURN ON FEES	4,750	10,000	5,000	10,000
PENALTIES AND LATE CHARGES	16,335	17,500	17,000	17,500
NSF FEES	1,300	2,000	1,500	2,000
FINAL READ FEES	9,475	12,000	10,000	12,000
HYDRANT FINES AND PENALTIES	-	-	1,100	500
HYDRANT METER AND BACKFLOW DEPOSITS	17,400	20,000	20,000	20,000
MISCELLANEOUS REVENUE	17,336	15,000	5,000	15,000
GRANT INCOME	1,970	-	1,100	-
GAIN (LOSS) ON SALE OF ASSETS	30,000	-	-	-
TAP CONNECTION FEES	120,800	100,000	287,000	100,000
CROSS CONNECTION FEES	-	-	-	6,000
METER SALES AND PARTS	5,825	10,000	24,000	15,000
INTEREST INCOME	235,533	175,000	262,000	200,000
PLAN REVIEW FEES	250	3,000	5,000	7,000
TOTAL ESTIMATED REVENUES	\$ 5,256,428	\$ 6,164,848	\$ 6,006,968	\$ 6,310,095

**ESTIMATED EXPENDITURES
OPERATING EXPENDITURES:**

AUDIT	\$ 7,385	\$ 7,950	\$ 7,900	\$ 8,500
AUTO AND TRUCK REPAIR	18,103	15,000	10,000	15,000
CONTRACTED SERVICES	91,519	7,500	7,000	7,500
CONVENTIONS	3,449	10,000	5,000	10,000
DISTRICT MANAGEMENT	-	120,000	85,000	120,000
PERMITS, DUES, CO811	7,256	10,000	9,000	10,000
ELECTIONS	-	-	-	10,000
ELECTRICITY (PUMP HOUSE)	8,025	10,000	8,000	10,000
ENGINEERING	75,054	150,000	105,000	50,000
BOARD SECRETARY FEES	1,100	1,200	1,000	1,200
FUEL (REGULAR AND DIESEL)	10,288	15,000	8,500	15,000
RETIREMENT FUND (401 EMPLOYER)	40,918	45,000	38,000	45,000
MEDICAL INSURANCE (EMPLOYER)	85,317	105,000	85,000	110,000
F.I.C.A.	42,158	38,480	37,700	44,200
COLORADO UNEMPLOYMENT INSURANCE	1,083	2,500	1,000	2,500
INSURANCE AND BONDS	39,633	35,000	35,000	47,000
IT SERVICES AND SECURITY	-	-	-	16,000
LEGAL FEES	25,848	35,000	33,000	40,000
LEGAL NOTICES AND PUBLICATIONS	24	1,000	50	1,000
MISCELLANEOUS EXPENSES	23,102	30,000	30,000	30,000
OFFICE SUPPLIES	9,447	10,000	15,000	18,000
OFFICE EQUIPMENT RENTAL	5,607	6,000	6,000	6,500
POSTAGE	15,632	15,000	15,000	16,500
PRINTING (BILLS AND NOTICES)	2,427	15,000	4,000	15,000
OFFICE MAINTENANCE AND REPAIR	55,485	35,000	25,000	10,000
ONLINE PAYMENT FEES	-	-	-	10,000
DIRECTOR FEES	5,500	7,000	5,700	7,000
REPAIR AND MAINTENANCE (SHOP)	-	2,500	1,000	2,500
REPAIR AND MAINTENANCE (HYDRANTS)	25,118	30,000	25,000	30,000
REPAIR AND MAINTENANCE (WATER MAINS)	213,124	252,000	252,000	275,000
REPAIR AND MAINTENANCE (PUMP HOUSE)	836	10,000	1,000	10,000
SALARY MANAGEMENT	72,813	-	-	-
SALARY OFFICE STAFF	206,271	245,000	223,000	250,000
SALARY FIELD STAFF	239,926	250,000	260,000	275,000

**WHEAT RIDGE WATER DISTRICT
ENTERPRISE FUND BUDGET
For the Year Ending December 31, 2025**

	ACTUAL 2023	ADOPTED BUDGET 2024	ESTIMATED BUDGET 2024	ADOPTED BUDGET 2025
ESTIMATED EXPENDITURES (Continued)				
SOFTWARE SUPPORT	\$ -	\$ -	\$ -	\$ 40,000
FIELD OVERTIME	6,813	8,000	10,000	12,000
SHOP EXPENSE (NON CAPITALIZED)	33,288	25,000	31,000	35,000
METERS SUPPLIES AND PARTS	71,011	50,000	46,000	50,000
HYDRANT METER AND BACKFLOW DEPOSIT REFUNDS	21,600	25,000	25,000	25,000
TELEPHONE AND INTERNET (GENERAL)	10,430	10,500	12,000	15,000
TELEPHONE (CELLULAR)	2,937	3,500	3,000	4,000
TRAINING	85	1,000	1,500	2,000
UTILITIES (OFFICE)	3,726	4,250	4,000	4,500
UTILITIES (SHOP)	2,838	3,500	3,000	3,750
WATER PURCHASES (6% rate increase)	2,927,260	4,379,450	4,217,320	4,470,400
WATER MASTER METER CHARGE	164,968	182,000	182,000	200,000
OFFICE EQUIPMENT	1,520	5,000	1,500	5,000
FEDERAL UNEMPLOYMENT TAX	-	100	-	-
CAPITAL EXPENDITURES:				
WATER MAIN REPLACEMENTS	4,922	25,000	10,000	500,000
VEHICLE REPLACEMENTS	112,000	60,000	55,000	-
BUILDING IMPROVEMENTS 6815 W. 38TH	-	20,000	20,000	10,000
BUILDING IMPROVEMENTS 6827 W. 38TH	-	50,000	65,000	10,000
WADSWORTH MAIN REPLACEMENT PROJECT (21-25)	503,511	1,300,000	650,000	-
CONTINGENCY	-	-	-	-
TOTAL ESTIMATED EXPENDITURES	\$ 5,199,358	\$ 7,668,430	\$ 6,675,170	\$ 6,905,050
ESTIMATED CHANGE IN FUND BALANCE	\$ 57,070	\$ (1,503,582)	\$ (668,202)	\$ (594,955)
BEGINNING FUND BALANCES	\$ 5,610,594	\$ 4,629,436	\$ 5,667,664	\$ 4,999,462
Transfers to (from) general operating reserves	57,070	(1,503,582)	(668,202)	(594,955)
Transfers to (from) emergency reserves	-	-	-	-
ENDING FUND BALANCES	\$ 5,667,664	\$ 3,125,854	\$ 4,999,462	\$ 4,404,507

**WHEAT RIDGE WATER DISTRICT
2025 BUDGET MESSAGE AND
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by the Directors, are those that are believed to be significant to the accompanying budgets but are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2025 annual budgets. Actual results may differ from the prospective and budgeted figures contained in the budgets.

DISTRICT SERVICES

The Wheat Ridge Water District (the District) is a Colorado Special District, a quasi-municipal corporation and political subdivision of the State of Colorado, operating as a water provider serving the majority of the City of Wheat Ridge and the Towns of Mountain View and Lakeside, with water purchased from the Denver Water Board. The District is, by contract, a Master Meter Distributor of the Denver Water Department, Denver Board of Water Commissioners.

The District is not supported by any grants from any taxing authority, nor does the District impose a mill levy. The District operates solely as a water enterprise pursuant to resolution of its Board and Colorado State Statutes.

The Wheat Ridge Water District's Board of Directors, by Resolution, elected to establish a water activity enterprise beginning in 1995 and continuing to the present. The District made the election pursuant to the enterprise exception of the Colorado Constitution and under Senate Bill 130, ss 37-45-.1-101 C.R.S. et seq.

BUDGETARY ACCOUNTING METHODS

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. §§ 29-1-103 and 29-1-105. The District's 2025 budget includes projected revenues and expenditures for the District's water enterprise fund.

REVENUES

The District derives its revenue solely from the sale of water, new water taps, and the related incidental fees and charges. The District has evaluated the need for rate increases in 2025 and has budgeted consumer water rate increases of approximately 10% to align with Denver Water wholesale rate increases, and to cover the remaining capital costs of the Wadsworth Blvd. water main replacement, along with other water main replacements.

Residential single family and duplex consumption rates will continue to be based on a multi-tier increasing block structure designed to conserve water, which has resulted in a significant drop in consumption since 2002. Multifamily, commercial, and industrial rates will be based on meter size and consumption.

**WHEAT RIDGE WATER DISTRICT
2025 BUDGET MESSAGE AND
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

EXPENDITURES

The Denver Board of Water Commissioners has approved several capital projects that address the long-term needs of the Denver Water system, which will result in a wholesale water cost increase in 2025 of approximately 6%. Wholesale water represents the largest expenditure of the District and is a significant factor in determining customer water rates.

The Board of Directors is committed to funding the water main replacement program throughout the District. This project commenced in the 1970's and has resulted in replacement of more than 60% of the district's mains with modern ductile cast iron and PVC mains.

The rest of the District's cast-iron mains are being replaced, with total replacement scheduled for completion in 2050. For 2025, the District has budgeted \$520,000 of capital improvements relating to the District's office buildings and various water main replacements within the District.

DEBT SERVICE

The Wheat Ridge Water District has no bonded indebtedness or other long-term capital debt.

LEASE PURCHASE TRANSACTIONS

The District is not a party to any lease purchase agreements, nor does it contemplate entering any lease purchase transactions in 2025.

CERTIFICATION OF BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Wheat Ridge Water District, for the budget year ending December 31, 2025, as adopted on November 12, 2024.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Wheat Ridge Water District, Jefferson County, Colorado, this 12th day of November, 2024.

Signed by:
Kristi Davis
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Kristi Davis, Treasurer

(S E A L)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of JEFFERSON COUNTY, Colorado.

On behalf of the WHEAT RIDGE WATER DISTRICT
(taxing entity)^A
 the BOARD OF DIRECTORS
(governing body)^B
 of the WHEAT RIDGE WATER DISTRICT
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 377,173,547 assessed valuation of: (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: \$ 376,607,551 (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: 12/12/2024 for budget/fiscal year 2025.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	0.000 mills	\$ 0.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0.00
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	0.000 mills	\$ 0.00

Contact person: Michael A. Bakarich, CPA Daytime phone: () 720-499-0020
 Signed: Michael A. Bakarich, CPA 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, CO 80203. Questions? Call DLG at (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).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | | |
|----|-------------------|-----|-------|
| 1. | Purpose of Issue: | N/A | _____ |
| | Series: | | _____ |
| | Date of Issue: | | _____ |
| | Coupon Rate: | | _____ |
| | Maturity Date: | | _____ |
| | Levy: | | _____ |
| | Revenue: | | _____ |
| | | | |
| 2. | Purpose of Issue: | | _____ |
| | Series: | | _____ |
| | Date of Issue: | | _____ |
| | Coupon Rate: | | _____ |
| | Maturity Date: | | _____ |
| | Levy: | | _____ |
| | Revenue: | | _____ |

CONTRACTS^K:

- | | | | |
|----|----------------------|-----|-------|
| 3. | Purpose of Contract: | N/A | _____ |
| | Title: | | _____ |
| | Date: | | _____ |
| | Principal Amount: | | _____ |
| | Maturity Date: | | _____ |
| | Levy: | | _____ |
| | Revenue: | | _____ |
| | | | |
| 4. | Purpose of Contract: | | _____ |
| | Title: | | _____ |
| | Date: | | _____ |
| | Principal Amount: | | _____ |
| | Maturity Date: | | _____ |
| | Levy: | | _____ |
| | Revenue: | | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.