

UTE PASS WATER DISTRICT 2024 BUDGET MESSAGE AND ASSUMPTIONS

The 2024 budget was prepared on the cash basis of accounting. This basis of accounting involves budgeting for debt principal and all other cash expenditures, and excluding non-cash items such as depreciation and amortization. The 2023 estimated amounts are based on the financial statements at Dec, 31st 2023 which were prepared on the accrual or modified accrual basis of accounting as appropriate.

The District's total assessed valuation for 2024 \$6,078,900 This budget does not include an increase in mill levy.

The budget for 2024 includes an estimated carryover balance as required by the governmental budget law. An emergency reserve as required by the TABOR amendment is budgeted for in the 2024 budget. All carryover balances are reserved for future expenditures. Expenditures are estimated based upon historical amounts spent and management's estimates of what conditions will be for the year. Capital expenditures budgeted are estimated from management's plan for the District.

Because events and circumstances do not occur as expected, actual results will usually differ from budgeted results. The differences may be material. The district is allowed to amend the budget. This budget is prepared to meet the requirements of the Colorado Local Government Budget Law, Section 29-1-101 et seq., C.R.S., and to be used by the board in managing the activities of the District. Because of the difficulties involved in forecasting future events, the budget is limited in its usefulness.

During 2022, the taxpayers of the District approved a ballot issue to increase debt by \$400,000 with a mill levy not to exceed 10.mills for the purpose of providing for the design, acquisition, construction, installation, or completion of a water supply, treatment, storage, transmission and distribution system for the district and its inhabitants. In addition, exempting the District from the statutory mill levy limitation as well as the TABOR limitations.

**UTE PASS WATER DISTRICT
2024 BUDGET MESSAGE AND ASSUMPTIONS**

(Continued)

Following are the budget assumptions, revenue, and expenditures, for each fund.

NON-OPERATING Fund

Revenues in the Non-operating Fund come from property taxes, which are levied on the District property and collected by the County treasurer. Expenditures in the General Fund relate to administration of the District debt service and capital projects. Amounts budgeted for administration of the District come from contractual obligations, such as the contracts with local professionals for management and other services.

The District has identified capital planning and improvement projects to be completed in 2024.

OPERATING FUND

Revenues in the Utility Fund come from water charges to users. User fees consist of a base charge and a tiered usage rate system. The District conducted a rate study in 2023 and implemented a rate increase in water user charges for 2024.

Expenditures in the Utility Fund are incurred in the operation and maintenance of the distribution lines and water treatment processes. Budgeted figures are based on amounts spent in the past, with known increases or decreases included. The Board and District personnel monitor costs closely to keep costs down and within budget.

The District is in the process of planning for future upgrades to the water treatment system or connection to the City Of Durango potable water distribution system.

**UTE PASS WATER DISTRICT
2024 BUDGET**

	FINAL			
	Budget	Final/Actual	Over	Final
	Year Ending	Year Ending	(Under)	Budget
	12/31/24	12/31/23		2023
OPERATING BUDGET				
Revenues				
Water Charges	\$ 144,645	\$ 125,441	\$ 6,441	\$ 119,000
Sewer Charges	-	34,870	\$ 20,870	14,000
Miscellaneous	1,200	190	\$ (2,510)	2,700
Total Operating Revenues	145,845	160,501	24,801	135,700
Expenditures				
Water Operations				
Operator (includes supplies)	23,320	19,942	(1,258)	21,200
Repairs	16,000	5,797	(9,203)	15,000
Testing	10,890	10,071	371	9,700
Sewer fees (City of Durango)	-	26,713	15,913	10,800
Utilities	7,250	6,680	(820)	7,500
Water Purchase (City of Durango)	13,500	11,922	(1,878)	13,800
Water Purchase (trucked-in water)	2,400	-	(2,400)	2,400
Total Water Operations	73,360	81,125	725	80,400
Administration				
Accounting and Billing	16,500	15,042	42	15,000
Auditing	1,500	-	0	-
Insurance	4,910	4,864	(1,436)	6,300
Legal	18,000	20,747	(3,253)	24,000
Management	6,750	1,538	1,538	-
Miscellaneous	300	225	(55)	280
Office Supplies	600	621	(229)	850
Software	4,320	15,340	14,464	876
Permits	325	325	165	160
Total Administrative	53,205	58,702	11,236	47,466
Total Operating Expend.	126,565	139,827	11,961	127,866
Operating Income (Loss)	19,280	20,674	12,840	7,834
Transfer to Non-Operating	(15,000)	(50,000)		
Operating Fund Balance - Jan 1	30,674	60,000		50,000
Operating Fund Balance - Dec 31	34,954	30,674		57,834
NON-OPERATING BUDGET				
Revenues				
Bond revenue	99,999	300,001	\$ (99,999)	400,000
Property tax	41,433	-	\$ -	0
Specific ownership tax	3,000	-	\$ -	0
Interest	500	2,156	\$ (2,844)	5,000
Total Non-operating Rev.	144,932	302,157	(102,843)	405,000
Expenditures				
Capital Outlay				
Line Replacement project	61,800	279,579	(60,421)	340,000
Engineering	30,000	21,960	(28,040)	50,000
Total Capital Outlay	91,800	301,539	(88,461)	390,000
Debt Service				
Bond issuance expense	-	20,001	10,001	10,000
Principal	11,044	-	-	-
Interest	30,389	515	515	-
Total Debt Service	41,433	20,516	10,516	10,000
Administration				
Legal	10,000	7,410	7,410	-
Management	6,750	-	-	-
Total Administration	16,750	7,410	7,410	-
Total Non-operating Exp	149,983	329,465	(70,535)	400,000
Non-operating Income (Loss)	(5,051)	(27,308)	(32,308)	5,000
Transfer from Operating	15,000	50,000		
Non-operating Fund Bal - Jan 1	22,692	-		24,000
Non-operating Fund Bal - Dec 31	32,641	22,692		29,000
Fund Balance All Funds - Jan 1	53,366	60,000		74,000
Fund Balance All Funds - Dec 31	67,595	53,366		86,834

RESOLUTION NO. 2024 - 2
RESOLUTION TO ADOPT BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE UTE PASS WATER DISTRICT, LA PLATA COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024 AND ENDING ON THE LAST DAY OF DECEMBER 2024.

WHEREAS, a proposed budget has been submitted to the Board of Directors of the Ute Pass Water District; 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, a public hearing was held on November 14, 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 so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UTE PASS WATER DISTRICT, LA PLATA COUNTY, COLORADO

SECTION I

That estimated expenditures for each fund are as follows:

General fund	\$276,548.
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SECTION II

That estimated revenues for each fund are as follows:

General Fund	
From unappropriated surpluses	\$ 0.
From sources other than general property tax	\$249,344.
From the general property tax levy	\$ 41,433.
TOTAL GENERAL FUND	\$290,777.

SECTION III

That the budget as submitted, amended, and hereinabove summarized by fund, be, and the same hereby is approved and adopted as the budget of the Ute Pass Water District for the year stated above.

SECTION IV

That the budget hereby approved and adopted shall be signed by the President of the District and made a part of the public records of the Ute Pass Water District.

ADOPTED this 9th day of January 2024.

UTE PASS WATER DISTRICT

By Shelby Aliob
President

RESOLUTION NO. 2024 - 3

RESOLUTION TO APPROPRIATE SUMS OF MONEY

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNTS AND FOR THE PURPOSES AS SET FORTH BELOW FOR THE UTE PASS WATER DISTRICT, LA PLATA COUNTY, COLORADO, FOR THE 2024 BUDGET YEAR.

WHEREAS, the Board of Directors of the Ute Pass Water District has adopted the annual budget in accordance with the Local Government Budget Law, on January 9, 2024; and

WHEREAS, the budget complies with TABOR; and

WHEREAS, 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 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, so as not to impair the operations of the Ute Pass Water District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UTE PASS WATER DISTRICT, LA PLATA COUNTY, COLORADO

SECTION I

That the following sums are hereby appropriated from the revenue of each fund to each fund, for the purposes stated:

General Fund	
Current Operating Expenses	\$126,565.
Non-operating Expenses	\$149,983.
TOTAL GENERAL FUND	\$276,548.

ADOPTED this 9th day of January 2024.

UTE PASS WATER DISTRICT

By Shelby Hieb
President

RESOLUTION NO. 2024 - 4
RESOLUTION TO SET MILL LEVIES

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE UTE PASS WATER DISTRICT, LA PLATA COUNTY, COLORADO, FOR THE 2024 BUDGET YEAR.

WHEREAS, the Board of Directors of the Ute Pass Water District has adopted the annual budget in accordance with the Local Government Budget Law on January 9, 2024; and

WHEREAS, the budget complies with TABOR; and

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$0; and

WHEREAS, the amount of money necessary to balance the budget for debt retirement expense is \$41,433; and

WHEREAS, the 2023 valuation for assessment for the Ute Pass Water District is \$6,078,900.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UTE PASS WATER DISTRICT, LA PLATA COUNTY, COLORADO

SECTION I

That for the purpose of meeting all general operating expenses of the Ute Pass Water District during the 2024 budget year, there is hereby levied a tax of 6.816 mills upon each dollar of the total final valuation for assessment of all taxable property within the Ute Pass Water District for the year 2023.

SECTION II

That the President of the District is hereby authorized and directed to certify to the County Commissioners of La Plata County, Colorado, the mill levy for the Ute Pass Water District as hereinabove determined and set.

ADOPTED this 9th day of January, 2024.

UTE PASS WATER DISTRICT

By Shelby Lieb
President