

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2025

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

Attached are the 2025 budget and budget message for the NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT, Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 26, 2024. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Nicholas Carlson, District Manager
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
nicholas.carlson@claconnect.com

I, Nicholas Carlson, District Manager of the Northern Douglas County Water and Sanitation District hereby certify that the attached is a true and correct copy of the 2025 budget.

By: Nicholas Carlson
Nicholas Carlson, District Manager

CERTIFIED COPY OF RESOLUTION TO ADOPT BUDGET AND APPROPRIATE FUNDS FOR THE NORTHERN DOUGLAS COUNTY WATER & SANITATION DISTRICT - 2025

STATE OF COLORADO)
) ss.
DOUGLAS COUNTY)

The Board of Directors of the Northern Douglas County Water & Sanitation District, Douglas County, Colorado, held a regular meeting on Tuesday, November 26, 2024 held at the offices of CliftonLarsonAllen LLP, at 8390 E. Crescent Parkway, Suite 300, in Greenwood Village, CO at 8:30 a.m. The meeting was also held by Microsoft Teams.

The following members of the Board of Directors were in attendance:

President/Chair: Eric Keesen
Vice President/Asst. Secretary: Blair Zimmerman
Treasurer: Thomas Cisek
Secretary: Michael Perlman

Also present were: Nic Carlson, Seef LeRoux, CliftonLarsonAllen LLP; Greg Sekera, Kennedy Jenks Consultants; Paul J. Polito, Seter, Vander Wall & Mielke, P.C.; and Kevin Collins, a member of the Public.

Counsel reported that, prior to the meeting, each of the Directors were notified of the date, time and place of this meeting and the purpose for which it was called. Counsel further reported that this meeting is a regular meeting of the Board of Directors of the District and that a Notice of Regular Meeting has heretofore been posted on the District’s website at least 24-hours prior to the meeting and to the best of Counsel’s knowledge, remains posted as of the date of this meeting. A copy of the Notice of Regular Meeting and a copy of the published Notice as to Public Hearing re Proposed 2025 Budget and if Necessary 2024 Amended Budget are incorporated into these proceedings.

**NOTICE OF REGULAR MEETING
AND
NOTICE AS TO PUBLIC HEARING RE
PROPOSED 2025 BUDGET AND IF NECESSARY 2024 AMENDED BUDGET**

NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT

8390 E. Crescent Pkwy., Suite 300

Greenwood Village, CO 80111

Phone: 303-779-5710

www.ndcwater.org

NOTICE OF REGULAR MEETING AND AGENDA

DATE: Tuesday, November 26, 2024

TIME: 8:30 a.m.

LOCATION: CliftonLarsonAllen
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
And via Microsoft Teams

ACCESS: To attend via Microsoft Teams Videoconference, use the below link:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZjhiNjZhMzItODNmYS00YjFhLTgyODEtN2E2MDc5MzIzMTE3%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22294eff39-c7d0-48c1-bc01-2bf9670aa52a%22%7d

Meeting ID: 278 654 423 293

Pass To attend via telephone, dial 612-213-1012 and enter Conference ID: 955 778 282#

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Eric Keesen	President	May, 2025
Blair Zimmerman	Vice-President/Assistant President	May, 2025
Thomas Cisek	Treasurer	May, 2025
Mike Perlman	Secretary	May, 2027
Vacant	Director	May, 2027

I. ADMINISTRATIVE MATTERS

- A. Call to order and approval of agenda.
- B. Present disclosures of potential conflicts of interest and approve Directors' fees.
- C. Confirm quorum, location of meeting and posting of meeting notices.
- D. Public Comment.
Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.

- E. Review and consider approval of the minutes of the October 22, 2024 regular Board meeting (enclosure).

II. FINANCIAL MATTERS

- A. Update on District’s Finances, Bonds, Maturity Dates, and Market Outlook (enclosure).
- B. Review and ratify approval of previous claims (enclosure).
- C. Review and consider acceptance of October 31, 2024 Unaudited Financial Statements (enclosure).
- D. Conduct Public Hearing on the proposed 2025 Budget and consider adoption of Resolution to Adopt the 2025 Budget and Appropriate Sums of Money to Set Mill Levies (Resolution enclosed – 2025 Draft Budget to be distributed).
- E. Authorize District Accountant to prepare the DLG-70 Certification of Tax Levies form (“MLC”) for certification to the Board of County Commissioners and other interested parties. Authorize Board member to sign MLC.
- F. Review and Approve 2024 Audit Engagement Letter from Wipfli (enclosure).
- G. Review and consider 2025 Fee Schedule and Adoption of Resolution of Proposed Fees, Rates, and Charges for Domestic Water and Sanitary Sewer Services (enclosure).

III. LEGAL MATTERS

- A. Discuss and consider approval of the Agreement with C&L Water Solutions for Operations, Maintenance and Repair services and Locates for 2025 (enclosure).
- B. Review and consider the adoption of Resolution Regarding Colorado Open Records Act Requests (enclosure).

IV. ENGINEERING MATTERS

- A. Engineering Information Report (enclosure).

V. MANAGER MATTERS

- A. Review and consider approval of Property and Liability Coverage renewal for 2025. Discuss changes needed to property schedule (if any) (enclosure).
- B. Review and consider approval of workers’ compensation coverage for 2025 (enclosure).
- C. Consider approval of CliftonLarsonAllen LLP statement(s) (SOW) of work for 2025 (enclosure).

- D. Authorize Board member or committee to work with district staff to transition website to ADA compliant hosting platform (enclosure).

VI. OTHER BUSINESS

VII. ADJOURNMENT

The next meeting is a special meeting scheduled for Tuesday, December 24, 2024 at 8:30 a.m. both Virtual via Microsoft Teams and at the physical location with at least one person at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado 80111.

700 W. Hampden Ave., Suite 220
Englewood, CO 80110

NOTICE AS TO PUBLIC HEARING REGARDING PROPOSED 2025 BUDGET AND AMENDED 2024 BUDGET

Northern Douglas County WSD (cla) **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111-2814

NOTICE IS HEREBY GIVEN that a proposed 2025 budget has been submitted to the NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT for the fiscal year 2025. A copy of such proposed budget has been filed in the office of the accountant, CliftonLarsonAllen LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado, where same is open for public inspection. Such proposed budget will be considered at a regular meeting of the Northern Douglas County Water and Sanitation District to be held at 8:30 a.m. on Tuesday, November 16, 2024. If necessary, an amended 2024 budget will be filed in the office of the accountant and open for inspection for consideration at the regular meeting of the Board. The meeting will be held at 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado. To access meeting, visit the District's website at www.ndcwater.org where the meeting notice with link information will be posted or contact the District's legal counsel at sw@swpd.com for a link to be emailed to you. Any interested parties within the Northern Douglas County Water and Sanitation District may inspect the proposed and amended budgets and file or register any objections at any time prior to the final adoption of the proposed 2025 budget and if necessary, amended 2024 budget.

AFFIDAVIT OF PUBLICATION

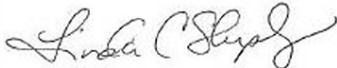
State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 11/14/2024, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.

**BY ORDER OF THE BOARD OF DIRECTORS;
NORTHERN DOUGLAS COUNTY
WATER AND SANITATION DISTRICT**

By: /s/ SETER, VANDER WALL
& MELKE, P.C.
Attorneys for the District

Legal Notice No. 517596
First Publication: November 14, 2024
Last Publication: November 14, 2024
Publisher: Douglas County News Press



For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/14/2024. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20134029363-393671

Jean Schaffer
Notary Public
My commission ends January 16, 2028

JEAN SCHAFFER
NOTARY PUBLIC - STATE OF COLORADO
NOTARY ID 20134029363
MY COMMISSION EXPIRES JAN 16, 2028

**NOTICE AS TO PUBLIC HEARING REGARDING
PROPOSED 2025 BUDGET AND AMENDED 2024 BUDGET**

NOTICE IS HEREBY GIVEN that a proposed 2025 budget has been submitted to the **NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT**, for the fiscal year 2025. A copy of such proposed budget has been filed in the office of the accountant, CliftonLarsonAllen LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado, where same is open for public inspection. Such proposed budget will be considered at a regular meeting of the Northern Douglas County Water and Sanitation District to be held at 8:30 a.m. on Tuesday, November 26, 2024. If necessary, an amended 2024 budget will be filed in the office of the accountant and open for inspection for consideration at the regular meeting of the Board. The meeting will be held at 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado. To access meeting, visit the District's website at www.ndcwater.org where the meeting notice with link information will be posted or contact the District's legal counsel at svw@svwpc.com for a link to be emailed to you. Any interested elector within the Northern Douglas County Water and Sanitation District may inspect the proposed and amended budgets and file or register any objections at any time prior to the final adoption of the proposed 2025 budget and if necessary, amended 2024 budget.

BY ORDER OF THE BOARD OF DIRECTORS:
NORTHERN DOUGLAS COUNTY WATER AND SANITATION
DISTRICT

By: /s/ SETER, VANDER WALL & MIELKE, P.C.
Attorneys for the District

Publish in: *Douglas County New-Press*
Publish on: Thursday, November 14, 2024

Thereupon, Director Keesen introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, LEVYING PROPERTY TAXES FOR COLLECTION IN THE YEAR 2025 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE NORTHERN DOUGLAS COUNTY WATER & SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2025, AND ENDING ON THE LAST DAY OF DECEMBER, 2025.

WHEREAS, the Board of Directors of the Northern Douglas County Water & Sanitation District has authorized its budget officer 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 law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 26, 2024, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; 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 NORTHERN DOUGLAS COUNTY WATER & SANITATION DISTRICT OF DOUGLAS COUNTY, COLORADO:

Section 1. Summary of 2025 Revenues and 2025 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2025, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, amended and attached hereto and incorporated herein is approved and adopted as the budget of the Northern Douglas County Water & Sanitation District for fiscal year 2025.

Section 3. Levy of General Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget for the General Fund for operating expenses from property tax revenue is a total amount of **\$1,766,445** and that the 2024 valuation for assessment, as certified by the Douglas County Assessor, is **\$137,938,880**. That for the purposes of meeting all general operating expenses of the District during the 2025 budget year, there is hereby levied a total tax of **12.806** mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 4. Levy of Debt Retirement Expenses. That the foregoing budget indicated that the amount of money necessary to balance the budget for the Debt Service Fund for debt retirement expense from property tax revenue is **\$0** and that the 2024 valuation for assessment, as certified by the Douglas County Assessor, is **\$137,938,880**. That for the purposes of meeting all debt retirement expenses of the District during the 2025 budget year, there is hereby levied a tax of **0.000** mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 5. Certification to County Commissioners. That the Secretary of the District, is hereby authorized and directed to immediately cause to have certified to the County

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Commissioners of Douglas County, the mill levy for the District hereinabove determined and set forth on the Certification of Tax Levies for Non-School Governments attached hereto.

Section 6. 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.

Section 7. Budget Certification. That the budget shall be certified by the Secretary or Assistant Secretary of the District, and made a part of the public records of the Northern Douglas County Water & Sanitation District.

The foregoing Resolution was seconded by Director Cisek.

RESOLUTION APPROVED AND ADOPTED THIS 26th DAY OF NOVEMBER, 2024.

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[Northern Douglas County Water & Sanitation District]
[2025 Budget Resolution Signature Page]

NORTHERN DOUGLAS COUNTY WATER &
SANITATION DISTRICT

By: Eric Keesen
Eric Keesen, President

ATTEST:

By: Michael Perlman
Michael Perlman, Secretary

STATE OF COLORADO
COUNTY OF DOUGLAS
NORTHERN DOUGLAS COUNTY WATER & SANITATION DISTRICT

I, Michael Perlman, hereby certify that I am a Director and the duly elected and qualified Secretary of the Northern Douglas County Water & Sanitation District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a regular meeting of the Board of Directors of the Northern Douglas County Water & Sanitation District held on Tuesday, November 26, 2024 at 8:30 a.m., at the offices of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 300, in Greenwood Village, CO. In addition, the meeting was held by Microsoft Teams, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2025; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were in attendance at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 26th day of November, 2024.



DocuSigned by:
Michael Perlman
14A4082CEC464AF...
Michael Perlman, Secretary

EXHIBIT A

**BUDGET DOCUMENT
AND
BUDGET MESSAGE**

NORTHERN DOUGLAS COUNTY WATER & SANITATION DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**NORTHERN DOUGLAS COUNTY WATER & SANITATION DISTRICT
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/6/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 23,213,873	\$ 25,334,191	\$ 27,692,343
REVENUES			
Property taxes	1,270,926	1,754,152	1,766,445
Specific ownership taxes	117,755	165,249	158,980
Net investment income	1,169,355	1,432,209	250,000
Sewer service fees	1,145,378	1,045,000	1,044,000
Water service fees	2,043,102	2,137,700	2,286,000
Contributed capital	624,524	244,939	-
Developer review fees	-	-	20,000
Other income	5,130	90,138	25,000
Total revenues	<u>6,376,170</u>	<u>6,869,387</u>	<u>5,550,425</u>
Total funds available	<u>29,590,043</u>	<u>32,203,578</u>	<u>33,242,768</u>
EXPENDITURES			
General and administrative			
Accounting	82,009	100,000	113,000
Auditing	5,400	6,500	6,900
County Treasurer's Fee	19,070	27,458	26,497
Banking fees	34,382	45,000	40,000
Directors' fees	4,800	4,800	4,800
Dues and Membership	6,238	6,238	7,500
Insurance	43,196	29,984	55,000
District management	80,355	120,000	126,000
District management - capital	-	-	50,000
Engineering	138,899	145,000	170,000
Engineering - Capital	24,747	-	-
Engineering - Development review	-	44,000	30,000
Election	1,248	-	2,000
Legal	59,947	50,000	60,000
Miscellaneous	4,695	5,999	4,000
Payroll taxes	367	367	600
Web page development	2,475	-	5,000
Contingency	-	-	55,203
Operations and maintenance			
Sewer charges	772,965	773,000	964,000
Water charges	1,658,170	1,898,000	2,095,000
Utilities	659	1,100	1,100
GIS mapping	-	-	15,000
Meter purchases/install	99,752	-	-
Master meter replacement	-	391,000	200,000
Retail meter replacement	-	-	30,000
Backflow preventors	176,505	114,000	2,170,000
Meter reading & billing	139,417	160,000	176,000
Repairs, unscheduled	71,809	157,000	115,000
Operator responsible charge	11,400	14,250	24,000
Turf conversion program	-	-	15,000
Sewer maintenance, scheduled	24,564	600	30,000
Sewer maintenance, unscheduled	-	-	40,000
Water maintenance, scheduled	39,991	55,000	35,000
Water maintenance, unscheduled	24,212	60,000	100,000
BFP device testing	10,685	3,000	14,500
Facility locates, 811 charges	93,371	54,000	55,000
Contributed facilities	624,524	244,939	-
Total expenditures	<u>4,255,852</u>	<u>4,511,235</u>	<u>6,836,100</u>
Total expenditures and transfers out requiring appropriation	<u>4,255,852</u>	<u>4,511,235</u>	<u>6,836,100</u>
ENDING FUND BALANCES	<u>\$ 25,334,191</u>	<u>\$ 27,692,343</u>	<u>\$ 26,406,668</u>
EMERGENCY RESERVE	\$ 156,300	\$ 163,200	\$ 159,100
BOARD DESIGNATED RESERVE	243,625	243,625	243,625
CAPITAL IMPROVEMENT RESERVE	19,600,000	19,600,000	20,400,000
TOTAL RESERVE	<u>\$ 19,999,925</u>	<u>\$ 20,006,825</u>	<u>\$ 20,802,725</u>

No assurance provided. See summary of significant assumptions.

**NORTHERN DOUGLAS COUNTY WATER & SANITATION DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/6/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Residential	\$ 64,933,410	\$ 85,644,650	\$ 86,046,670
Commercial	11,904,600	13,516,840	13,516,460
Industrial	15,735,100	17,062,190	18,124,730
State assessed	435,400	430,100	390,100
Vacant land	1,367,480	412,210	412,080
Personal property	4,780,670	19,912,400	19,448,350
Natural Resources	510	490	490
Certified Assessed Value	<u>\$ 99,157,170</u>	<u>\$ 136,978,880</u>	<u>\$ 137,938,880</u>
MILL LEVY			
General	12.806	12.806	12.806
Total mill levy	<u>12.806</u>	<u>12.806</u>	<u>12.806</u>
PROPERTY TAXES			
General	\$ 1,269,807	\$ 1,754,152	\$ 1,766,445
Levied property taxes	1,269,807	1,754,152	1,766,445
Adjustments to actual/rounding	1,119	-	-
Budgeted property taxes	<u>\$ 1,270,926</u>	<u>\$ 1,754,152</u>	<u>\$ 1,766,445</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 1,270,926</u>	<u>\$ 1,754,152</u>	<u>\$ 1,766,445</u>
	<u>\$ 1,270,926</u>	<u>\$ 1,754,152</u>	<u>\$ 1,766,445</u>

**NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was formed to provide water and sewer service to properties in the service area of the District. The District's service area is located in Douglas County, Colorado. The District entered into an Extended Service Area (ESA) Agreement dated May 3, 1989, with Highlands Ranch Water and Sanitation District (Highlands Ranch Water), formerly known as Centennial Water and Sanitation District, to provide water supply and water and sewage treatment to an area that currently constitutes the majority of the District. The term of the agreement is to May 2039 and may be extended. Upon payment of tap fees for capacity in its water supply and water and sewage treatment facilities, Highlands Ranch Water provides services to the District and bills the District for water delivered based on metered usage at rates not to exceed 200% of the rates charged by Highlands Ranch Water to Highlands Ranch Districts. Highlands Ranch Water has approval rights over the area to be included within the Highlands Ranch Water Service area, the location of points of connection to its system, and the number of taps available for service. In this regard, Highlands Ranch Water's commitment to provide taps is on a "when, as and if available" basis. The District agreed to use Highlands Ranch Water as its sole source of water supply within the service area of the ESA agreement and adopt the same standards as Highlands Ranch Water within the Highlands Ranch Water Service Area. The District bills its customers directly.

On November 2, 1993, the electors of the District approved an exemption of the collection, retention and spending of non-property tax revenues from the Tabor Amendment.

On November 7, 1995, the electors of the District approved an annual increase in property taxes of \$137,000 for 1996 and an exemption of the collection, retention, and spending of property taxes with a total operations mill levy up to 25 mills.

The District has no employees and all operations and administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. For financial statement reporting purposes in accordance with generally accepted accounting principles (GAAP), the District uses the accrual method of accounting. Under GAAP, capital expenditures are recorded as assets, and depreciation on fixed assets is recognized as an operating expense. For budget reporting, capital expenditures are reported as expenditures, and depreciation is not recognized. To distinguish the difference in reporting, for budget reporting the District uses "Funds Available" which is defined as current assets less current liabilities, in lieu of fund balance for GAAP reporting.

**NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District’s Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer’s election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2025, SB22-238, SB23B-001, SB24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District’s share will be equal to approximately 9% of the property taxes collected.

Net Investment Income

Interest to be earned on the District’s available funds has been estimated based on prior year’s interest earnings.

**NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (Continued)

Service Fees

Water service and usage fees revenues are not anticipated to increase in 2025 in response to Highlands Ranch Water's proposed rate increases to the District. Water charge expenditures for 2025 are expected to increase as a result of Highlands Ranch Water's proposed rate increases to the District for 2025.

Sewer service and usage fees revenues are not anticipated to increase in 2025. Since the majority of users have billings based on winter water usage, the District does not expect significant variances in usage from year to year.

Sewer charge expenditures for 2025 are expected to increase as a result of Highlands Ranch Water's proposed rate increases to the District for 2025.

Expenditures

Operating Expenses

The majority of the District's operating expenditures are paid to Highlands Ranch Water for water provided and sewage treatment, both of which are metered. Additional preventative maintenance and unscheduled repairs have been budgeted.

Administrative Expenses

Administrative expenses have been assumed to be at a level consistent with 2024 services.

Capital Expenditures

The District anticipates improvements including the replacement of one master meter and the addition of backflow preventers for each of the 17 master meters.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt and Leases

The District has no outstanding debt nor any capital or operating leases.

**NORTHERN DOUGLAS COUNTY WATER AND SANITATION DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an emergency reserve equal to at least 3% of fiscal year spending for 2024 as defined under the TABOR Amendment. Such emergency reserve is an integral part of Ending Funds Available.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Northern Douglas County Water & Sanitation District,
(taxing entity)^A
 the Board of Directors,
(governing body)^B
 of the Northern Douglas County Water & Sanitation District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 137,938,880 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: \$ 137,938,880 (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: 12/04/2024 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	12.806 mills	\$ 1,766,445
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	12.806 mills	\$ 1,766,445
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>	12.806 mills	\$ 1,766,445

Contact person: Seef Le Roux Daytime phone: (719) 635-0330
 Signed: *Seef Le Roux* Title: Accountant for the District

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: _____
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: _____
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.