

BUDGET RESOLUTION

(2024)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO

At the special meeting of the Board of Directors of Weld Adams Water Development Authority, held at 11:30 AM on Tuesday, November 28, 2023, at 8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111, by videoconference at <https://us06web.zoom.us/j/82637555286>, and by teleconference at (720) 707-2699, Meeting ID: 826 3755 5286, there were present:

Robert A. Lembke
Andrew Damiano
Ronald E. von Lembke
Jason VonLembke
James Korpall

Also present was Michael Davis and Marisa Davis of the Law Office of Michael E. Davis, LLC (“District Counsel”)

The Chairman stated that proper publication was made to conduct a public hearing on the Authority 2024 budget. The Chairperson opened the public hearing on the Authority’s proposed 2024 budget. There being no public present to comment on the Authority’s budget, the public hearing was closed.

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

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE WELD ADAMS WATER DEVELOPMENT AUTHORITY, 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 (the “Board”) of the Weld Adams Water Development Authority (the “Authority”) has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2023; and

WHEREAS, the proposed 2024 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on October 26, 2023 in the Brighton Standard Blade, October 26, 2023 in the Ranchland News, and October 27, 2023 in the Greeley Tribune, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 11:30 AM on Tuesday, November 28, 2023, 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 WELD ADAMS WATER DEVELOPMENT AUTHORITY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2024 Revenues and 2024 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2024, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2024.

Section 3. 2024 Levy of General Property Taxes. The Authority does not impose a mill levy and does not collect taxes.

Section 4. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget does not result in a violation of any applicable property tax or fiscal year spending limit.

Section 5. Appropriations. The amounts set forth as expenditures for each fund in the Budget are hereby appropriated for each such fund.


Section 6. Budget Certification. That the budget shall be certified by a director on the board of directors of the Authority, and made a part of the public records of the Authority.

Section 7. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the Budget, and budget message with the Division of Local Government by January 30 of the ensuing year.

The foregoing Resolution was seconded by Director Damiano.

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 28, 2023.


WELD ADAMS WATER DEVELOPMENT AUTHORITY

By: 
Robert A. Lembke, President

ATTEST:


Andrew Damiano, Vice President/Secretary

APPROVED AS TO FORM:
LAW OFFICE OF MICHAEL E. DAVIS, LLC
As General Counsel to the Authority



STATE OF COLORADO
WELD ADAMS WATER DEVELOPMENT AUTHORITY

I, Andrew Damiano, hereby certify that I am a director and the duly elected and qualified Vice President/Secretary of Weld Adams Water Development Authority (the "Authority"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said Authority adopted at a meeting of the Board of Directors of the Authority held at 11:30 AM on Tuesday, November 28, 2023, at 8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111, by videoconference at <https://us06web.zoom.us/j/82637555286>, and by teleconference at (720) 707-2699, Meeting ID: 826 3755 5286, as recorded in the official record of the proceedings of the Authority, 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 on November 28, 2023.



Andrew Damiano, Vice President/Secretary

EXHIBIT A
2024 BUDGET DOCUMENT & BUDGET MESSAGE FOR
WELD ADAMS WATER DEVELOPMENT AUTHORITY

WELD ADAMS WATER DEVELOPMENT AUTHORITY
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

WELD ADAMS WATER DEVELOPMENT AUTHORITY
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 690,038	\$ 900,558	\$ 1,707,664
REVENUES			
Interest income	255,798	600	5,000
Reimbursed expenditures	-	2,500	2,500
Miscellaneous revenue	6,810	2,000	5,000
IGA Revenue - SBBD	-	13,500,000	200,000
IGA Revenue - PRMD	500,000	52,000,000	2,500,000
Lease revenue	70,976	255,000	255,000
Total revenues	<u>833,584</u>	<u>65,760,100</u>	<u>2,967,500</u>
TRANSFERS IN			
Note proceeds	-	48,827,689	-
Total funds available	<u>1,523,622</u>	<u>115,488,347</u>	<u>4,675,164</u>
EXPENDITURES			
General and administrative			
Accounting	46,552	72,000	72,000
Accounting consulting	20,638	60,000	65,000
Auditing	8,500	9,000	10,500
District management	83,069	140,000	140,000
Directors' fees	-	2,500	2,500
Dues and membership	-	1,500	1,500
Insurance	19,469	28,656	35,000
Legal	104,018	340,000	350,000
Miscellaneous	6,424	6,000	10,500
Banking fees	-	500	500
Repairs and maintenance	1,275	40,000	80,000
Surveys and locates	-	-	5,000
Engineering	-	-	-
Utilities	6,946	2,500	2,500
Intergovernmental expenditures - UWSD	60,822	64,018,839	-
Support Services	3,300	-	-
Water usage expense	262,051	255,000	255,000
70 Ranch Water Project	-	-	-
Engineering - 70 Ranch	-	-	-
Capital outlay	-	1,000,000	2,500,000
Capital Outlays- Equipment	-	-	-
Note interest	-	1,505,602	-
Note principal	-	46,298,586	-
Total expenditures	<u>623,064</u>	<u>113,780,683</u>	<u>3,530,000</u>
ENDING FUND BALANCES	<u>\$ 900,558</u>	<u>\$ 1,707,664</u>	<u>\$ 1,145,164</u>
EMERGENCY RESERVE	\$ 25,100	\$ 58,730	\$ 105,900
AVAILABLE FOR OPERATIONS	875,458	1,648,934	1,039,264
TOTAL RESERVE	<u>\$ 900,558</u>	<u>\$ 1,707,664</u>	<u>\$ 1,145,164</u>

No assurance provided. See summary of significant assumptions.

**WELD ADAMS WATER DEVELOPMENT AUTHORITY
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Weld Adams Water Development Authority was created under an establishing contract, as amended, between South Beebe Draw Metropolitan District, United Water & Sanitation District and Platte River Metropolitan District pursuant to the provisions of Section 29-1-204.2, C.R.S. to cooperate or contract with one another to establish a water resource development authority.

The Authority has no employees and all administrative functions are contracted.

The Authority prepares its budget on the modified accrual basis of accounting in accordance with the 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 Authority 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.

Revenues

IGA Revenues

Intergovernmental revenues will be provided by primarily by Platte River Metro District, with additional revenues provided by South Beebe Metro District. These funds from the providing district's will be recorded as a revenue and will make up the majority of revenues for Weld Adams Water Development Authority.

Net Investment Income

Interest earned on the Authority's available funds has been estimated based on historical interest earnings.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures have been provided based on estimates of the Authority's Board of Directors and consultants and include the services necessary to maintain the Authority's administrative viability such as legal, accounting, management, insurance, meeting expense, and other administrative expenses.

Capital Outlay

The Authority anticipates infrastructure improvements as noted in the General Fund.

**WELD ADAMS WATER DEVELOPMENT AUTHORITY
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Leases

Long-Term Water Storage Lease Agreement

The Authority entered into a long-term lease agreement (Milliken Water Lease) for the right to store up to a maximum of 2,500-acre feet of water in a water reservoir located in Weld County. The effective date of the lease agreement was September 26, 2017 and expires on October 31, 2115. Total amount to be expended per budget year is \$255,000. Payments are due annually on or before November 10 of each year. The total maximum payment liability over the entire term of the lease, including optional renewal terms is \$75,505,151. The renewal option terms are two additional 99-year periods.

Water Lease Agreement

In February 2016, PRWDA and United Water and Sanitation, acting by and through the United 70 Ranch Water Activity Enterprise, entered into a water lease agreement (United Water Lease) for approximately 1,500-acre feet of water in the Milliken Reservoir. The United Water Lease was transferred to the Authority effective September 26, 2017. The United Water Lease expires on January 31, 2115 and provides for a renewal option for two additional periods of 30 years each. Base rent is determined based on the amount of acre feet delivered into and released from the Milliken Reservoir and will be mutually determined each year.

The Authority has no real property lease-purchase agreements.

Reserves

Emergency Reserve

The Authority has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

This information is an integral part of the accompanying budget.