

Durango West Metropolitan District No. 1

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January 30, 2017

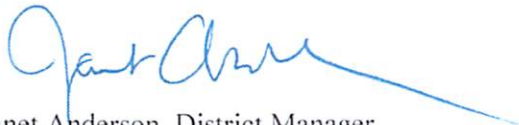
Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

Attached is the 2017 budget for Durango West Metropolitan District No.1, located in La Plata County, submitted pursuant to Section 29-1-113-C.R.S. This budget was adopted on December 14, 2016. If there are any questions on the budget, please contact Janet Anderson, District Manager, Durango West Metro District 1, 119 Holly Hock Trail, Durango, Colorado 81303, 970-259-4267.

The mill levy certified to the County Commissioners is -0- mills for all general operating purposes, -0- mills for General Obligation bonds; -0- mills for refund/abatement; and -0- mills for Temporary Tax Credit/Mill Levy Reduction. The District paid off all outstanding general obligation bonds in calendar year 2016. The previous voter authorized mill levy has expired.

Further discussion in the Budget Message included with the 2017 adopted budget. Tax certifications were not submitted since the District no longer holds outstanding general obligation bonds as noted by the zero mill-levy.

Respectfully submitted,



Janet Anderson, District Manager
Durango West Metropolitan District No. 1

BUDGET MESSAGE 2017

Durango West Metropolitan District No.1

The attached Budget for Durango West Metropolitan District No 1 for 2017:

Durango West Metro District No. 1 operates with seven funds for general accounting purposes: General Fund (governmental), Water Fund (enterprise), Sewer Fund (enterprise), Wastewater Treatment Plant Fund, and the Conservancy Trust Fund (restricted state lottery funds), Fixed Asset Fund, and Bond Fund. General, Water, Sewer, and Conservancy Trust are the operating funds requiring the Board of Directors to appropriate expenditures and recognize revenues. Sources of funds are indicated separately for each fund as well as expenditures. In the case of the where expenditures exceed revenues for the calendar year 2017, transfers from fund balances are used to balance the budget. Required cash reserve amounts are maintained in a separate reserve bank account. Services are provided to approximately 255 residents for water, sewer, roads, parks, and common areas.

In 2016, the District experienced a failure with the tennis courts shortly after completion of the covering tiles, and it has been disastrous. The District met with several stabilization companies and geotechnical engineers to discuss options. The District performed drainage mitigation and was told to see if the soils would remain holding after additional drainage was installed. The District opted to cease further work on subsequent phases of the park to be sure monies were being wisely directed and to what portions of the park should be reprioritized, if any. In 2017 the District has budgeted funds to mitigate and repair the courts if possible. The District may need to engage further engineering services as current estimates are well beyond the funding abilities of the District. It may be cheaper to rebuild a portion of the courts or to make the courts smaller, which should not be a huge reduction in services, as they are full double size courts and the District is not a large population.

The District's general obligation bonds were paid in full in 2016. This is the first time since its inception in 1977 that the district has been debt free. Road repairs will likely be the next general obligation bond, but the District has not planned to request voter authorization at this time since the roads are in reasonably decent condition. The roads do need further maintenance that has been budgeted to add to the 2016 maintenance that was performed. Road funds available are also largely dependent on snowfall so it is difficult to estimate if there will be a surplus or not. Due to several drought years over the past decade the roads have been able to be maintained. A truck is being saved for to replace the F550 soon. Capital expenditures not used will be rolled to next budget year.

Video surveillance systems are still needed. Technology is limited due to lack of power and internet services where camera monitoring is needed for safety and for vandalism purposes.

The budgetary basis of accounting is the accrual basis.

camera assessments on sewer collection lines in 2015 and therefore reduced the 2016 budget to perform maintenance only in the 2016 budget year.

The budgetary basis of accounting is the accrual basis.

Additional amounts have been budgeted in 2016 for capital expenditures for park development and equipment enhancements. Normal operational revenues and expenditures have largely remained similar to previous years other than unavoidable increases in items such as insurance and utilities.

The services provided by our District are central water, central sewer, road maintenance, common area maintenance, and parks/recreation.

DURANGO WEST METROPOLITAN DISTRICT NO. 1 #34006 2017 Budget

		2015 actuals	2016 Estimated	2017 Budget
Revenues/Sources of Funds				
GEN-307	Parking Ticket Revenues	325	400	50
GEN-308	Bear Violations	0	0	50
GEN-319	Snow Removal	30,250	30,380	30,200
GEN-320	Roads, Common Area	33,423	33,418	33,200
GEN-321	Billing Fees for paper & postal customers	2,992	3,078	2,700
GEN-322	District Fee Billed Monthly to Customers	75,960	75,950	75,000
GEN-323	Gen Fund Late Fees from Cougar Customer	1,275	1,668	2,600
GEN-324	Collection Fees billed to AR Customers	3,801	1,184	300
GEN-330	Highway User Funds	11,715	11,880	12,000
GEN-341-249	Interest Earned	97	322	176
GEN-355	Property Tax Revenue	427,971	97,925	0
GEN-365	Property Revenues	0	0	309,150
GEN-381	Property Violations Income	970	795	1,000
GEN-395	Gen Fund Misc. Income Account	0	2,504	500
GEN-399	Grant Revenues - safety grant	0	0	1,000
GEN-390	Prior Year Adjustment to Income	(1,459)		
Total Revenues		587,320	259,504	467,926
Expenses/Uses of Funds				
GEN-406	Trash Removal Expenses	3,073	4,436	894
GEN-410	Road Repair & Maintenance	3,330	(5,280)	6,000
GEN-412	Capital Purchases/Projects	49,632	81,473	18,135
GEN-415	Snow Removal Expense	7,982	4,280	8,000
GEN-420	Security Lights Utility Exp.	6,900	7,840	7,800
GEN-425	Common Area Supplies	3,745	1,337	3,000
GEN-426	Repairs & Maint. - Common Area	2,334	2,215	1,200
GEN-429	Fire Mitigation Expenses	1,938	1,621	3,500
GEN-430	Contract Labor	450	0	1,500
GEN-431	Wages Paid	35,844	37,750	48,701
GEN-435	Employer Payroll Taxes Expense	2,628	2,987	3,850
GEN-432	Automobile/Travel & Repair Expenses	3,409	10,684	4,000
GEN-433	Meals/Entertainment	831	1,502	1,009
GEN-440	Audit & Accounting Expense	8,943	11,968	13,000
GEN-445	Billing Expense	1,116	900	1,200
GEN-448	Treasurer Fee	2,367	2,535	0
GEN-450	Director Fees Expense	4,225	4,625	4,500
GEN-455	Insurance Expense	5,659	4,778	6,000
GEN-460	Legal Fees	5,489	7,252	9,000
GEN-465	General Office Expenses	9,704	12,332	11,000
GEN-470	Public Notices/Advertisements	222	218	400
GEN-480	Office Utilities Expenses	6,551	6,937	7,000
GEN-485	Bond Interest Expense	7,223	3,914	0
GEN-486	Bond Principal Payments	70,000	79,000	0
GEN-489	Seminar / Training Expense	0	0	1,000
GEN-490	Miscellaneous General Expenses		(278)	2,000
GEN-491	Bank & Finance Fees	38	183	100
GEN-495	Health Ins & Employee Misc Health Expenses	16,458	15,773	17,500
GEN-175	Cost Property Sales			266,746
Total Expenditures		260,091	300,982	447,035
Excess Revenues over Expenses		327,229	(41,478)	20,891
	Beginning Fund Balance	(183,121)	144,108	142,630
	Net Revenues (Expenditures)	327,229	(41,478)	20,891
	Contingency			(20,000)
	Transfers To/From			
	Housing Improvement, Land and Capital Outlays		40,000	25,000
	Ending Fund Balance	144,108	142,630	168,521

DURANGO WEST METROPOLITAN DISTRICT NO. 1 #34006
WATER FUND 2017 Budget

		2015	2016	
		Actual	Estimated 2017	Budget
Revenues/Sources of Funds				
WAT-310	Water Sales	127,433	128,485	129,000
WAT-311	Lake Dgo Acquisition Chgs to Customers	45,397	45,465	45,500
WAT-325	Tap Fees	0	0	0
WAT-318	Water Royalty Fees	13,504	13,982	14,000
WAT-359	Lease Revenue (Atmos Tank Tower)	6,610	7,345	7,500
Total Revenues		192,944	195,277	196,000
Expenditures/Uses of Funds				
WAT-405	Well #9 - Utility Expense	430	668	600
WAT-407	Treatment Facility Utilities	4,131	3,600	4,400
WAT-410	Testing & Compliance	1,425	1,800	2,500
WAT-411	Lake Dgo Acquisition Fee	47,385	47,400	46,600
WAT-412	Capital Expenditures	700	0	0
WAT-418	Lake Dgo Water Royalty Expense	10,902	12,000	12,500
WAT-419	Lake Dgo Min Base Fee	19,780	20,700	22,000
WAT-420	Water Purchases	24,823	28,000	32,000
WAT-421	Locate Fees	86	340	150
WAT-425	Source of Supply Repairs/Maint	10,885	400	15,000
WAT-426	Trans/Dist. Repairs/Maint.	268	3,600	1,350
WAT-427	Meters Maintenance/Software/Repairs	1,295	4,500	1,500
WAT-428	Treatment-Chemicals Purchases	800	2,300	1,500
WAT-430	Contract Labor - Water	6,900	6,500	8,000
WAT-431	Wages Paid	36,149	37,500	46,300
WAT-435	Employer Payroll Taxes Expense	2,860	3,000	4,000
WAT-432	Automobile/Travel & Repair Expenses	2,885	9,650	7,000
WAT-438	Plant Supplies Expense	1,506	1,700	4,000
WAT-440	Audit Expense	8,943	7,800	10,100
WAT-455	Insurance Expense	4,864	4,800	5,925
WAT-460	Legal Fees	5,065	7,250	9,500
WAT-490&446	Miscellaneous Water Expenses + Depreciation	34,000	16,200	6,000
Total Expenditures		226,082	219,708	240,925
Excess Revenues over Expenditures		(33,138)	(24,431)	(44,925)
Beginning Fund Balance		199,677	166,539	142,108
Net Revenues (Expenditures)		(33,138)	(24,431)	(44,925)
Contingency		0	0	(25,000)
Net Sub Total Fund Balance		166,539	142,108	72,183
Transfers To/From Other Funds		0	0	
Ending Fund Balance		166,539	142,108	72,183

DURANGO WEST METROPOLITAN DISTRICT NO. 1 #34006
SEWER FUND *Amended* 2017 Budget
Revenue Bonds Unanticipated Capital Improvements for Health Standards

	2015 Actual	2016 Estimated	2017 Budget
Revenues/Sources of Funds			
SEW-310 Sewer Fees	126,958	127,596	128,000
SEW-311 Wastewater Plant Treatment Fees	0	0	29,880
SEW-325 Tap Fees	0	0	0
SEW-446 Rev Bad Debt	830		
Total Revenue	127,788	127,596	157,880
Expenses/Use of Funds			
SEW-412 Capital Expenditures	667		0
SEW-420 Treatment Fees to Plant Fund	60,960	61,000	76,136
SEW-421 Locate Fees	167	337	167
SEW-426 Coll./Trans./Repairs & Maint.	15,722	6,500	9,500
SEW-430 Contract Labor - Sewer	450	0	500
SEW-431 Wages Paid	35,750	37,500	46,334
SEW-435 Employer Payroll Taxes Expense	2,743	3,000	3,850
SEW-432 Automobile/Travel & Repair Expenses	2,896	9,647	3,816
SEW-440 Audit & Accounting Expense	8,943	7,800	10,085
SEW-455 Insurance Expense	4,970	4,800	5,925
SEW-460 Legal Fees	5,100	7,250	9,250
SEW-490 Miscellaneous Exp + Deprec	8,800	9,200	9,350
Total Expenses	147,168	147,034	174,913
Excess Revenues Over Expenses	(19,380)	(19,438)	(17,033)
Beginning Fund Balance	630,699	611,319	591,881
Net Revenues (Expenditures)	(19,380)	(19,438)	(17,033)
Contingency/Unanticipated Expns Allowance	0	0	(25,000)
Net Change to Fund Balance	(19,380)	591,881	549,848
Transfers to Reserves or To/From Other Funds			
Ending Fund Balance	611,319	591,881	549,848

**DURANGO WEST METROPOLITAN DISTRICT NO. 1 2017
 AMENDED BUDGET Wastewater Treatment Fund (WWTP) #34006**

	2015 Actual	2016 Estimated	2017 Estimated
Revenues/Sources of Funds			
WWT-310 Sewage Treatment Fees	40,520.00	73,560.00	73,560.00
WWT-344 Interest Income WWT	169.00	265.00	250.00
WWT Grant Income	19,087.00	23,031.00	79,250.00
WWT-395 Misc. Income WWT	-	636.00	0.00
Total Revenues	43,229.00	97,492.00	153,060.00
Expenses			
WWT-410 Waste Water Testing	2,556.00	3,313.00	4,000.00
WWT-412 Capital Outlays = Code & Stds	2,123.00	21,329.00	75,000.00
WWT-426 Plant Repairs & Maint	45,930.00	9,434.00	75,000.00
WWT-428 Treatment Supplies WWT	353.00	807.00	1,500.00
WWT-430 Contract Labor WWT	5,539.00	10,365.00	10,450.00
WWT-431 Admin Salaries WWT	2,643.00	4,448.00	3,750.00
WWT-435 Payroll Tax Expense WWT	211.00	361.00	350.00
WWT-440 Accounting Expense WWT	2,954.00	5,000.00	3,700.00
WWT-455 Insurance Expense WWT	42.00	2,105.00	400.00
WWT-460 Legal Expenses WWT	1,772.00	3,905.00	6,000.00
WWT-465 Admin Supplies WWT	549.00	1,055.00	937.50
WWT-480 Plant Electric WWT	8,126.00	12,908.00	12,500.00
Total Expenses	72,797.00	75,030.00	193,587.50
Excess Revenues Over Expenses	(29,568.00)	22,462.00	(40,527.50)
Net Revenues (Expenditures)	(29,568.00)	22,462.00	(40,527.50)
Contingency Allotment			
Net Change to Fund Balance	(29,568.00)	22,462.00	(40,527.50)
Beginning Fund Balance New Fund 5-28-15	407,354.00	377,786.00	400,248.00
Net Change to Fund Balance	(29,568.00)	22,462.00	(40,527.50)
Ending Fund Balance	377,786.00	400,248.00	359,720.50

Conservancy Trust Fund

Account	2015 Actual	2016 Estimated	2017 Budgeted
SOURCES OF FUNDS			
CON-315 Lottery Funds	6,850	3,701	3,000
CON-158 Lottery Funds Receivable			
CON-305 & CON-344	1	1	2
Total Sources of Funds	6,851	3,702	3,002
USES OF FUNDS (expenditures)			
CON429		0	0
TOTAL USES OF FUNDS (expenses)	0	0	0
Net sources (deficit) available	6,851	3,702	3,002
BEGINNING FUND BALANCE	(36,468)	(29,617)	(25,915)
Net Fund Change	6,851	3,702	3,002
ENDING FUND BALANCE	(29,617)	(25,915)	(22,913)

**RESOLUTION TO ADOPT AN ANNUAL BUDGET FOR 2017
CALDNDAR YEAR AND RESOLUTION TO APPROPRIATE SUMS
OF MONEY FOR THE BUDGET FOR CALENDAR YEAR 2017**

Budget Resolution #6-2017 ID # 134180

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE DURANGO WEST METROPOLITAN DISTRICT NO. 1, DURANGO, COLORADO, FOR THE 2017 BUDGET YEAR.

WHEREAS, the Board of Directors of Durango West Metropolitan District No. 1 has appointed the District Manager to prepare and submit a proposed budget to the Board of Directors; and

WHEREAS, the District Manager submitted a proposed budget to the Board of Directors of Durango West Metropolitan District No. 1 on October 12, 2016, for the Board's consideration, and

WHEREAS, notice was published and posted in accordance with the law, the budget for calendar year 2017 was open for inspection at the District Office, public meeting(s) were held on November 16, 2016 and December 14, 2016, and constituents of Durango West Metropolitan District No. 1 were given opportunity to file or register any objections to the proposed budget, and;

WHEREAS, revenues and expenditures have been planned and appropriated so that the budget remains in balance, as required by law.

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 and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

THEREFORE, the Board of Directors of Durango West Metropolitan District No. 1, Durango, Colorado, hereby Adopts the Budget for the calendar year 2017 as submitted, amended, and summarized by fund; and

THEREFORE, the Board of Directors of Durango West Metropolitan District No. 1, Durango, Colorado, hereby approves to Appropriate Monies to each Fund.

NOW, BE IT RESOLVED the Budget for 2017 is hereby approved and adopted, shall be signed by the Board President, and shall be made part of the public records of Durango West Metropolitan District No. 1, and

NOW, BE IT RESOLVED Sums of Money for 2017 are hereby approved for Appropriation from the revenues of each fund, to each fund, for the stated purposes:

GENERAL FUND:

Current Operating Expenses	\$428,900
Capital Outlay	\$ 18,135
Debt Service	\$ -0-
Contingency Allotment	\$ 20,000
TOTAL GENERAL FUND	\$467,035

WATER FUND:

Current Operating Expenses	\$240,925
Capital Outlay	\$ -0-
Debt Service	-0-
Contingency Allotment	\$ 25,000
TOTAL WATER FUND:	\$265,925

SEWER FUND:

Current Operating Expenses	\$174,913
Capital Outlay	\$ -0-
Debt Service	-0-
Contingency Allotment	\$ 25,000
TOTAL SEWER FUND:	\$ 199,913

WASTEWATER FUND:

Current Operating Expenses	\$ 118,587
Capital Outlay	\$ 75,000
Debt Service	
Contingency Allotment	
TOTAL WASTEWATER FUND	\$ 193,587

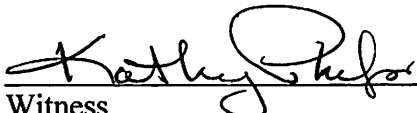
CONSERVATION TRUST FUND:

Current Operating Expenses	\$ -0-
Capital Outlay	\$ -0-
Debt Service	-0-
TOTAL CONS.TRUST FUND:	\$ -0-

THE 2017 BUDGET AND APPROPRIATIONS FOR EXPENDITURES ARE
ADOPTED THIS 14TH DAY OF DECEMBER, 2016



President, Durango West Board of Directors



Witness