

An explanation of how Mil levies are figured from the Water District:

For **Special Districts** like Pinewood Springs Water, special rules apply. The State Rules governing the Water District are unlike rules for **city water districts**.

The District has two main sources of revenue. One is the money obtained from water charges. This money covers the day-to-day operating expenses and improvements to the system. The other money we get comes from property taxes assessed by Mil levies.

*******Mil levy money can only be used to pay off voter-approved debts.*******

The way the Mil levy amount is determined by the County is thus:

1. Take the District's **total voter approved loan payments** for the year (about the same every year plus/minus a couple of thousand for the interest variable and less for example, if a loan was paid off in the previous year) – for 2014 taxes paid in 2015, that value was \$269,418
2. Divide that value (\$269,418) by .98 (for the County Treasurers Fee), and the resulting value was \$274,916, rounded to whole dollars. $\$269,418 / .98 = \$274,916$
3. Divide that figure (\$274,916) by the assessed value of the homes in the Water District (\$6,417,500) This figure is provided by the County Commissioners in August of every year and verified the first part of December in the same year. $\$274,916 / 6,417,500 = .0428384$
4. Multiply that result by 1000 and the resulting figure is the Mil levy for the year. $.0428384 \times 1000 = 42.8384$ (2014 paid in 2015)

The amount will be the exact amount needed to pay the voter approved loan payments and the county's fee for the coming year.

The Mil levy was higher in 2014, because property evaluations had gone down. This year, using the preliminary assessment from the county, it appears our property values have gone up, **thereby lowering the Mil levy**. I **estimate** the Mil levy for 2015 (payable in 2016) to be about **37.27**. The exact value won't be determined until I get the final assessment from Larimer County in early December. Special Districts like the Water District cannot give other Districts any of these Mills nor can we commingle funds.

Loan info: The District currently has four loans. The oldest is a bond issue that was put in place years ago to add more water tanks to our storage system. In December of 2017, we make the last payment of \$25,000 plus approximately \$3,000.00 (varies) in interest. Taking that into consideration and if property values remain the same, the Mil levy for 2018 taxes (payable in 2019) will be approximately be 32.54. The other three loans for the reservoir project were **voter approved** in November of 2003 with about 84% approval. The loans pay-off at various times; the smallest one ends in 9 years or 2024, the next smallest ends in 11 years or 2026, and the last one ends in 24 years or 2039. With each loan that pays off, and if our property values stay the same, the Mil levy will decrease.

Please let me know if you have questions about any of the above. I can be reached at the water office number, 303-823-5345 or by email at pswdadmin@att.net. Our next Water Board meeting is October 28th, at 7:00 pm at the Fire Station meeting room. Please enter through the back door.