



ICENOGLE SEAVER POGUE

September 25, 2023

Douglas County Clerk and Recorder
Douglas County, Colorado
301 Wilcox Street
Castle Rock, Colorado 80104
(Via Email: clerk@douglas.co.us)

Douglas County Board of Commissioners
Douglas County, Colorado
100 Third Street
Castle Rock, Colorado 80104
(Via Email: bocc@douglas.co.us)

Division of Local Government
1313 Sherman Street
Room 521
Denver, Colorado 80203
(Via E-Portal)

Jefferson County Board of Commissioners
Jefferson County, Colorado
100 Jefferson County Parkway
Golden, Colorado 80419
(Via Email: clerktotheboard@jeffco.us)

Office of the State Auditor
1525 Sherman Street, 7th Floor
Denver, Colorado 80203
(Via E-Portal)

Jefferson County Clerk and Recorder
Jefferson County, Colorado
100 Jefferson County Parkway
Golden, Colorado 8-419
(Via Email: clerktotheboard@jffco.us)

Re: Annual Report for Roxborough Water and Sanitation District and Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District

To Whom It May Concern:

Enclosed please find the 2022 Annual Report for Roxborough Water and Sanitation District and Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District pursuant to Section 32-1-207(3)(c) C.R.S.

Please contact our office with any questions regarding the Annual Report.

Sincerely,

ICENOGLE SEAVER POGUE
A Professional Corporation

Hannah M. Pogue
Legal Administrative Assistant

**ROXBOROUGH WATER AND SANITATION DISTRICT AND PLUM VALLEY HEIGHTS
SUBDISTRICT OF ROXBOROUGH WATER AND SANITATION DISTRICT**

2022 ANNUAL REPORT PURSUANT TO SECTION 32-1-207(3)(c), C.R.S.

Pursuant to Section 32-1-207(3)(c), C.R.S., the Roxborough Water and Sanitation District (the “District”) and the Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District (the “Subdistrict”) (as of August 21, 2013) are required to submit an annual report for the preceding calendar year commencing in 2023 for the 2022 calendar year to Douglas County, Jefferson County, the Division of Local Government, the state auditor, the Jefferson County Clerk and Recorder, and the Douglas County Clerk and Recorder. The District and the Subdistrict hereby submit this annual report pursuant to Section 32-1-207(3)(c), C.R.S. to satisfy the reporting requirement for the year 2022.

For the year ending December 31, 2022, the District and the Subdistrict make the following report:

(A) Boundary changes made.

The District:

Inclusions:

- On August 5, 2021, the District received a Petition for Inclusion of Land for the inclusion of land into the District. On June 28, 2022, the District Court for Douglas County approved an Order for Inclusion, which was recorded with the Douglas County Clerk and Recorder on September 1, 2022 at Reception No. 2022058930.
- On January 28, 2022, the District received a Petition for Inclusion of Land for the inclusion of approximately 5.55 acres of land into the District. On February 23, 2022, the District Court of Douglas County approved an Order for Inclusion, which was recorded with the Douglas County Clerk and Recorder on September 1, 2022 at Reception No. 2022058928.
- On January 31, 2022, the District received a Petition for Inclusion of Land for the inclusion of approximately 20.18 acres of land into the District. On May 9, 2022, the District Court of Douglas County approved an Order for Inclusion, which was recorded with the Douglas County Clerk and Recorder on September 1, 2022 at Reception No. 2022058926.
- On February 15, 2022, the District received a Petition for Inclusion of Land for the inclusion of Lot 2A, River Canton Filing No. 2, 1st Amendment into the District. On May 9, 2022, the District Court of Douglas County approved an Order for Inclusion which was recorded with the Douglas County Clerk and Recorder on September 1, 2022 at Reception No. 2022058927.

No other boundary changes occurred for the District or the Subdistrict in 2022.

(B) Intergovernmental agreements entered into or terminated with other governmental entities.

On March 1, 2022, the District entered into that certain Town of Castle Rock/Roxborough Water and Sanitation District 2022 Water Lease Agreement with the Town of Castle Rock (the “Town”) with authorized the District to lease a portion of surplus water from the Town. No other intergovernmental agreements were entered into or terminated with other governmental entities in 2022.

(C) Access information to obtain a copy of rules and regulations adopted by the board.

For information concerning rules and regulations adopted by the District or the Subdistrict please visit the District's website at <https://www.roxwater.org/water/rules-regs/>.

(D) A summary of litigation involving public improvements owned by the special district.

There was no litigation involving public improvements owned by the District or the Subdistrict in 2022.

(E) The status of the construction of public improvements by the special district.

Construction of public improvements by the District and the Subdistrict have been completed. The District and the Subdistrict continue to improve and maintain the public improvements, as needed, in accordance with the District's and the Subdistrict's budgets.

(F) A list of facilities or improvements constructed by the special district that were conveyed or dedicated to the county or municipality.

As of December 31, 2022, no facilities or improvements constructed by the District or the Subdistrict were dedicated to Douglas County or Jefferson County.

(G) The final assessed valuation of the special district as of December 31 of the reporting year.

| | |
|-------------------------------|---------------|
| District (Jefferson County): | \$98,085,836 |
| District (Douglas County): | \$185,619,960 |
| Subdistrict (Douglas County): | \$22,073,550 |

(H) A copy of the current year's budget.

A copy of the District and the Subdistrict's budgets are attached hereto as **Exhibit A**.

(I) A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

A copy of the District's and the Subdistrict's audited financial statement for the year ending December 31, 2022, is attached hereto as **Exhibit B**.

(J) Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district.

As of December 31, 2022, the District and the Subdistrict did not receive any notice of uncured defaults existing for more than ninety (90) days under any debt instrument.

(K) Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

As of December 31, 2022, the District and the Subdistrict did not have any inability to pay its obligations as they come due under any obligation which continued beyond a ninety (90) day period.

EXHIBIT A
2023 BUDGETS

STATE OF COLORADO
COUNTY OF DOUGLAS
COUNTY OF JEFFERSON
ROXBOROUGH WATER AND SANITATION DISTRICT
2023 BUDGET RESOLUTION NO. 22-11-04

The Board of Directors (the “Board”) of Roxborough Water and Sanitation District, Douglas and Jefferson Counties, Colorado, held a regular meeting on Wednesday, the 16th day of November, 2022 at 8:00 a.m. at 6222 North Roxborough Park Road, Littleton, Colorado.

The following members of the Board of Directors were present:

David Bane – President
Kenneth Maas – Vice-President
Keith Lehmann – Secretary
Christine Thomas – Treasurer
John Kim – Assistant Secretary

Also present: Barbara Biggs, Lucie Taylor, Mike Marcum, Lisa Hoover, and Dorice Vidger; Roxborough Water and Sanitation District; Ted Snailum, TWS Financial, Inc.; Bill Goetz, TST Infrastructure; and Alan D. Pogue, Esq., Icenogle Seaver Pogue, P.C.; Josh Baile, Dominion Water and Sanitation District; and Stephen Throneberry, Resident.

The President reported that, prior to the meeting, notification was provided to each of the Directors of the date, time, and place of the meeting and the purpose for which it was called. It was further reported that the meeting is a regular meeting of the Board and that a Notice of Regular Meeting was posted to the District website at Roxwater.org and to the best of his knowledge remained posted to the date of this meeting.

At the Board’s regular meeting held on November 16, 2022, the President stated that proper publication was made to allow the Board to conduct a public hearing on the District’s 2023 budget. The President opened the public hearing on the District’s proposed 2023 budget for public comment, if any, and then the public hearing was closed. Upon discussion of the District’s proposed 2023 budget by members of the Board, Director Lehmann moved that the Board adopt the following Resolution:

RESOLUTION NO. 22-11-04

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN, AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAID THE COSTS OF GOVERNMENT, FOR ROXBOROUGH WATER AND SANITATION DISTRICT, DOUGLAS AND JEFFERSON COUNTIES, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE 1ST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

WHEREAS, the Board of Directors (the "Board") of Roxborough Water and Sanitation District (the "District") has authorized its staff 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 for its consideration; and

WHEREAS, due and proper notice was published on Thursday, November 10, 2022 in the *Canyon Courier* and the *Douglas County News Press*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; and (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and

WHEREAS, a public hearing on the proposed budget was opened on Wednesday, November 16, 2022, at which time any objections of the electors of the District were considered; 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 ROXBOROUGH WATER AND SANITATION DISTRICT OF DOUGLAS AND JEFFERSON COUNTIES, COLORADO:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget attached hereto as Exhibit A and incorporated herein by this reference, is approved and adopted as the budget of Roxborough Water and Sanitation District for fiscal year 2023. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization.

Section 3. 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 4. Budget Certification. That the budget shall be certified by Director Lehmann, Secretary of the District, and made a part of the public records of the District, and a certified copy of the approved and adopted budget shall be filed with the Colorado Department of Local Affairs Division of Local Government.

Section 5. 2023 Levy of General Property Taxes.

a) That the foregoing budget indicates that the amount of property taxes necessary to be collected from property located within the District's boundaries in Jefferson County for the General Fund representing general operating expenses of the District is \$608,917, and that the 2022 valuation for assessment for property located within the District's boundaries in Jefferson County, as certified by the Jefferson County Assessor, is \$98,085,836. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 6.208 mills upon each dollar of the total valuation of assessment of all taxable property within the District located in Jefferson County for the year 2023.

b) That the foregoing budget indicates that the amount of property taxes necessary to be collected from property located within the District's boundaries in Douglas County for the General Fund representing general operating expenses of the District is \$1,152,329, and that the

2022 valuation for assessment for property located within the District's boundaries in Douglas County, as certified by the Douglas County Assessor, is \$185,619,960. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 6.208 mills upon each dollar of the total valuation of assessment of all taxable property within the District located in Douglas County for the year 2023.

Section 6. 2023 Levy of Debt Retirement Expenses.

a) That the amount of property taxes required to be collected from property located within the District's boundaries in Jefferson County for payment of Debt Service is \$196,172 and that the 2022 valuation for assessment for property located within the District's boundaries in Jefferson County, as certified by the Jefferson County Assessor, is \$98,085,836. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 2.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District located in Jefferson County for the year 2023.

b) That the amount of property taxes required to be collected from property located within the District's boundaries in Douglas County for payment of Debt Service is \$371,240, and that the 2022 valuation for assessment for property located within the District's boundaries in Douglas County, as certified by the Douglas County Assessor, is \$185,619,960. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 2.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District located in Douglas County for the year 2023.

Section 7. Certification to County Commissioners. That General Counsel is hereby authorized and directed to certify to the County Commissioners of Douglas and Jefferson Counties, the mill levies for the District hereinabove determined and set. That said certification shall be in substantially the following form:

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY.]

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Jefferson County, Colorado

On behalf of the Roxborough Water and Sanitation District
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Roxborough Water and Sanitation District
(local government)^C

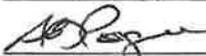
Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 98,085,836 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

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: \$ 98,085,836 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/13/2022 for budget/fiscal year 2023
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

| PURPOSE (see end notes for definitions and examples) | LEVY ² | REVENUE ² |
|--|--------------------|----------------------|
| 1. General Operating Expenses ^H | <u>6.208</u> mills | \$ <u>608,917</u> |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < > mills | \$ < > |
| SUBTOTAL FOR GENERAL OPERATING: | 6.208 mills | \$ 608,917 |
| 3. General Obligation Bonds and Interest ^J | <u>0.000</u> mills | \$ <u>0.00</u> |
| 4. Contractual Obligations ^K | <u>2.000</u> mills | \$ <u>196,172</u> |
| 5. Capital Expenditures ^L | <u>0.000</u> mills | \$ <u>0.00</u> |
| 6. Refunds/Abatements ^M | <u>0.000</u> mills | \$ <u>0.00</u> |
| 7. Other ^N (specify): _____ | <u>0.000</u> mills | \$ <u>0.00</u> |
| | _____ mills | \$ _____ |
| TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7] | 8.208 mills | \$ 805,089 |

Contact person: (print) Alan D. Pogue Daytime phone: 303-292-9100

Signed:  Title: General Counsel

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) 866-2156.

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[†]:

- 1. Purpose of Issue: _____
Title: _____
Date of Issue: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 2. Purpose of Issue: _____
Title: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^κ:

- 1. Purpose of Issue: _____ Public Water Infrastructure
Title: _____ Clean Water Revenue Bonds
Date of Issue: _____ May 5, 2005
Principal Amount: _____ Original \$10,000,000
Maturity Date: _____ September 1, 2026
Levy: _____ 2.000
Revenue: _____ \$196,172

- 2. Purpose of Issue: _____
Title: _____
Date of Issue: _____
Coupon Rate: _____
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.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado

On behalf of the Roxborough Water and Sanitation District

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Roxborough Water and Sanitation District

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 185,619,960 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: \$ 185,619,960 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/13/2022 for budget/fiscal year 2023
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

| PURPOSE (see end notes for definitions and examples) | LEVY ² | REVENUE ² |
|--|--------------------|----------------------|
| 1. General Operating Expenses ^H | <u>6.208</u> mills | \$ <u>1,152,329</u> |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < > mills | \$ < > |
| SUBTOTAL FOR GENERAL OPERATING: | 6.208 mills | \$ 1,152,329 |
| 3. General Obligation Bonds and Interest ^J | <u>0.000</u> mills | \$ <u>0.00</u> |
| 4. Contractual Obligations ^K | <u>2.000</u> mills | \$ <u>371,240</u> |
| 5. Capital Expenditures ^L | <u>0.000</u> mills | \$ <u>0.00</u> |
| 6. Refunds/Abatements ^M | <u>0.000</u> mills | \$ <u>0.00</u> |
| 7. Other ^N (specify): _____ | <u>0.000</u> mills | \$ <u>0.00</u> |
| | _____ mills | \$ _____ |
| TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7] | 8.208 mills | \$ 1,523,569 |

Contact person: (print) Alan D. Pogue Daytime phone: 303-292-9100

Signed:  Title: General Counsel

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) 866-2156.

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:

- | | | |
|----|-------------------|-------|
| 1. | Purpose of Issue: | _____ |
| | Title: | _____ |
| | Date of Issue: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Title: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS*:

- | | | |
|----|-------------------|-----------------------------|
| 1. | Purpose of Issue: | Public Water Infrastructure |
| | Title: | Clean Water Revenue Bonds |
| | Date of Issue: | May 5, 2005 |
| | Principal Amount: | Original \$10,000,000 |
| | Maturity Date: | September 1, 2026 |
| | Levy: | 2.000 |
| | Revenue: | \$371,274 |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Title: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | 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.

The foregoing Resolution was seconded by Director Thomas.

ADOPTED AND APPROVED THIS 16TH DAY OF NOVEMBER, 2022.

ROXBOROUGH WATER AND SANITATION DISTRICT


By: David Bane
Its: President

11

CERTIFICATION OF RESOLUTION

I, Keith Lehmann, Secretary, for the Roxborough Water and Sanitation District (the "District"), do hereby certify that the annexed and foregoing Resolution is a true copy from the Records of the proceedings of the Board of said District, on file with Icenogle Seaver Pogue, P.C., general counsel to the District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District, this 16th day of November, 2022.





Keith Lehmann, Secretary

EXHIBIT A

Budget Message
Budget Document

Roxborough Water and Sanitation District
Adopted Budget
12/31/2023

Accountant's Report

Board of Directors
Roxborough Water and Sanitation District
Douglas and Jefferson Counties, Colorado

We have compiled the accompanying forecasted budget of revenue, expenditures and fund balance/fund available of the Roxborough Water and Sanitation District for the General, Debt Service, Capital Projects, Water, and Sewer Funds for the year ending December 31, 2023, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenue, expenditure and fund balance/funds available or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for the year 2021 is presented for comparative purposes only. Such information is taken from the 2021 audit report of the District for the year ended December 31, 2021 as prepared by The Adams Group LLC in which an unqualified opinion was expressed.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the district's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

We are not independent with respect to Roxborough Water and Sanitation District.

Littleton, Colorado
December 12, 2022

Roxborough Water and Sanitation District

2023 budget

Summary of Significant Assumptions

Services Provided

The Roxborough Water and Sanitation District was formed January 12, 1972, to provide water, sewer and fire protection services within its boundaries. The Service Plan has been amended and as of January 4, 2000, the District no longer provides fire protection. The District is governed by a five-member Board of Directors elected by the residents.

The District prepares its budget on the modified accrual basis of accounting. For financial statement reporting under generally accepted accounting principles (GAAP), the District uses the full accrual basis of accounting. Consequently, the terminology of "Funds Available" is used in the budget to distinguish the difference from GAAP accounting for Fund Balance. Funds Available represents each fund's current assets less its current liabilities except for current portions of long-term debt. In addition, the budget separates individual funds which are included as one entity in the GAAP presentation.

Revenues

Property Taxes

A significant source of operating revenue is property taxes. The calculation of the taxes levied is displayed at the total adopted mill levy of 8.208. The district experienced an approximate decrease in their assessed valuation from the prior year in the amount of 1.34 % as a result of decrease in vacant land values.

Specific Ownership Taxes

This revenue is based on a sharing of the collection of vehicle ownership taxes pooled by the County. The estimate is based on a ratio of prior year's revenue to property taxes.

Service Fees

The District experienced a decrease in water fund revenues for 2022 mainly as a result of lower system development fees for the year. Sewer fund revenues reflect the Wastewater Systems Operations and Maintenance Agreement with Dominion Water and Sanitation District and are expected to continue to increase due to an increase in Sewer Conveyance.

Roxborough Water and Sanitation District

2023 budget

Summary of Significant Assumptions

(Continued)

Interest

Interest earned on the District's available funds has been estimated based on the average interest rate of approximately .10 %. It is believed this is a conservative estimate based on current rates.

System Development Charges

System Development Charges are adopted at \$275,000 for the Water Fund and \$200,000 for the Sewer Fund.

Expenditures

Administrative and Operating Expenses

Operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, meeting expense, and other administrative expenses. Also included are general engineering, repairs and maintenance, and utility expenses.

Debt Service

The debt service expenditures are for principal and interest payments related to the 2005 Clean Water Revenue Bonds which were issued through the Colorado Water Resources and Power Development Authority and also the 2014 CWCB loan used to purchase a permanent water supply from Aurora Water. In addition, the district added a loan from the Colorado Water Conservation Board to fund the water infrastructure necessary to integrate the Ravenna distribution system with the District's system. This loan will be repaid by the Ravenna residents through a monthly surcharge included in their monthly billings. See attached debt service schedules.

Capital Outlay

Anticipated expenditures for capital outlay in 2023 consist of an estimated \$ 4,695,000 in the water fund and \$ 2,280,000 for ongoing system upgrades and replacements in the sewer Fund. Water fund projects include replacement of an irrigation water pump station and upgrades to distribution system pump stations. Sewer fund capital project focus on the repair/rehabilitation of aging sewer lines.

Roxborough Water and Sanitation District

2023 budget

Summary of Significant Assumptions

(Continued)

Reserve Funds

Emergency Reserve Funds

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending for 2023, as defined under TABOR.

Leases

The District has no operating nor capital leases.

This information is an integral part of the accompanying forecasted budget.

Roxborough Water & Sanitation District
Property Tax Summary Information
For the Years Ended and Ending December 31

| ACTUAL 2021 | ESTIMATED 2022 | Adopted 2023 |
|----------------|-------------------|-----------------|
|----------------|-------------------|-----------------|

ASSESSED VALUATION

Douglas County

| | | | |
|-------------------|----------------|----------------|----------------|
| Residential | \$ 141,595,540 | \$ 153,196,050 | \$ 152,191,890 |
| Commercial | \$ 14,984,870 | \$ 16,608,170 | \$ 17,469,170 |
| Agricultural | \$ 43,460 | \$ 41,000 | \$ 37,310 |
| Natural Resources | \$ 440 | \$ 440 | \$ 440 |
| State Assessed | \$ 37,500 | \$ 47,900 | \$ 52,600 |
| Vacant Land | \$ 23,920,240 | \$ 13,262,560 | \$ 10,218,960 |
| Personal Property | \$ 4,664,740 | \$ 4,983,300 | \$ 5,649,590 |
| | 185,246,790 | 188,139,420 | 185,619,960 |

Adjustments - New Growth
Certified Assessed Value

| | | |
|----------------|----------------|----------------|
| - | - | - |
| \$ 185,246,790 | \$ 188,139,420 | \$ 185,619,960 |

ASSESSED VALUATION

Jefferson County

| | | | |
|----------------|---------------|---------------|---------------|
| Commercial | \$ 793,763 | \$ 1,243,104 | \$ 1,216,042 |
| Industrial | \$ 61,390,715 | \$ 96,143,375 | \$ 94,050,351 |
| Vacant | \$ 1,786,516 | \$ 2,797,844 | \$ 2,736,936 |
| State Assessed | \$ 53,856 | \$ 84,344 | \$ 82,508 |
| | 64,024,850 | 100,268,667 | 98,085,836 |

Adjustments
Certified Assessed Value

| | | |
|---------------|----------------|---------------|
| - | - | - |
| \$ 64,024,850 | \$ 100,268,667 | \$ 98,085,836 |

MILL LEVY

| | | | |
|--|-------|-------|-------|
| General | 6.208 | 6.208 | 6.208 |
| Debt Service | 3.06 | 2.9 | 2 |
| Temporary Mill Levy Reduction (pursuant to C.R.S. 39-5-121) | - | - | - |
| Refund and Abatements | - | - | - |
| Total Mill Levy | 9.268 | 9.108 | 8.208 |

PROPERTY TAXES

| | | | |
|-------------------------------|--------------|--------------|--------------|
| General | \$ 1,547,478 | \$ 1,790,437 | \$ 1,761,246 |
| Debt Services | 762,771 | 836,383 | 567,412 |
| Temporary Mill Levy Reduction | - | - | - |
| Refund and Abatement | - | - | - |
| Levied Property Taxes | \$ 2,310,250 | \$ 2,626,821 | \$ 2,328,657 |

PROPERTY TAXES

| | | | |
|-----------------------|--------------|--------------|--------------|
| General | \$ 1,547,478 | \$ 1,790,437 | \$ 1,761,246 |
| Debt Service | 762,771 | 836,383 | 567,412 |
| Levied Property Taxes | \$ 2,310,250 | \$ 2,626,821 | \$ 2,328,657 |

Roxborough Water & Sanitation District Summary
Forecasted 2023 Budget as Projected
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31

| | ACTUAL 2021 | ESTIMATED 2022 | Adopted 2023 |
|--------------------------------------|-------------------|-------------------|-------------------|
| BEGINNING FUNDS AVAILABLE | \$ 26,528,055 | \$ 29,438,605 | \$ 28,985,871 |
| REVENUE | | | |
| General Fund | 1,794,628 | 1,921,437 | 1,887,246 |
| Debt Service Fund | 786,622 | 897,383 | 677,412 |
| Capital Projects Fund | 0 | 1,060,000 | 4,565,000 |
| Water Fund | 8,203,476 | 7,838,187 | 10,692,205 |
| Sewer Fund | 3,047,185 | 3,780,000 | 3,218,000 |
| Total Revenue | <u>13,831,911</u> | <u>15,497,007</u> | <u>21,039,862</u> |
| TRANSFERS IN | 1,998,402 | 1,957,000 | 1,952,000 |
| Total Funds Available | <u>42,358,368</u> | <u>46,892,612</u> | <u>51,977,733</u> |
| EXPENDITURES | | | |
| General | 467,257 | 658,803 | 773,500 |
| Debt Service | 1,698,482 | 1,760,651 | 1,757,824 |
| Capital Projects | 3,273 | 1,060,000 | 1,205,000 |
| Water Fund | 5,819,577 | 7,226,829 | 9,912,500 |
| Sewer Fund | 2,232,772 | 2,399,406 | 4,521,500 |
| Total Expenditures | <u>10,221,361</u> | <u>13,105,689</u> | <u>18,170,324</u> |
| TRANSFERS OUT | 2,698,402 | 2,178,187 | 5,461,808 |
| Total Expenditures and Transfers Out | <u>12,919,763</u> | <u>15,283,876</u> | <u>23,632,132</u> |
| Requiring Appropriation | <u>12,919,763</u> | <u>15,283,876</u> | <u>23,632,132</u> |
| ENDING FUNDS AVAILABLE | <u>29,438,605</u> | <u>31,608,737</u> | <u>28,345,601</u> |

Roxborough Water & Sanitation District
General Fund
Projected 2023
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31

| | ACTUAL 2021 | Budget 2022 | ESTIMATED 2022 | Adopted 2023 |
|---|----------------|----------------|-------------------|-----------------|
| BEGINNING FUNDS AVAILABLE | \$ 1,094,674 | \$ 1,722,045 | \$ 1,722,045 | \$ 1,720,114 |
| REVENUE | | | | |
| Property Taxes | 1,459,961 | 1,790,437 | 1,790,437 | 1,761,246 |
| Specific Ownership Taxes | 134,293 | 120,000 | 120,000 | 120,000 |
| Investment Income | 374 | 750 | 10,000 | 5,000 |
| Miscellaneous Income | 200,000 | 1,000 | 1,000 | 1,000 |
| Total Revenue | 1,794,628 | 1,912,187 | 1,921,437 | 1,887,246 |
| TRANSFERS IN | | | | |
| Capital Projects Fund | - | - | - | - |
| Total Transfers In | - | - | - | - |
| Total Funds Available | 2,889,302 | 3,634,232 | 3,643,482 | 3,607,360 |
| EXPENDITURES | | | | |
| Payroll/Taxes/Benefits | 109,432 | 110,000 | 120,000 | 130,000 |
| Accounting/Audit | 28,500 | 30,000 | 28,500 | 31,500 |
| Audit | 30,375 | 30,000 | 30,000 | 30,000 |
| Bank Charges | 1,890 | - | 2,000 | 2,000 |
| Capital Outlay | - | 12,000 | 150,000 | 75,000 |
| Contract Labor | 1,862 | 20,000 | 10,000 | 10,000 |
| Data Recovery | 11,597 | - | - | - |
| Director's Fees | 8,000 | 8,000 | 8,000 | 8,000 |
| Education | 8,083 | 30,000 | 8,000 | 20,000 |
| Election Expense | 112 | 30,000 | 27,303 | 30,000 |
| Engineering | 25,945 | 50,000 | 36,000 | 40,000 |
| Insurance | 25,291 | 30,000 | 25,000 | 30,000 |
| Legal Fees | 21,247 | 30,000 | 25,000 | 25,000 |
| Miscellaneous Expense | 8,150 | 20,000 | 7,000 | 10,000 |
| Office Expense | 48,107 | 40,000 | 40,000 | 40,000 |
| Permits/Dues/Subscriptions | 18,066 | 5,000 | 35,000 | 30,000 |
| Rent | 2,694 | 5,000 | 5,000 | 5,000 |
| Repairs & Maintenance | 90,526 | 100,000 | 50,000 | 205,000 |
| Treasurers' Fees | 21,900 | 20,000 | 45,000 | 45,000 |
| Utilities | 3,409 | 5,000 | 2,000 | 2,000 |
| Vehicle Expense | 2,071 | 6,000 | 5,000 | 5,000 |
| Total Expenditures | 467,257 | 581,000 | 658,803 | 773,500 |
| TRANSFERS OUT | | | | |
| Capital Projects Fund | - | - | - | - |
| PVH Subdistrict | - | - | - | - |
| Water Fund | 500,000 | 500,000 | 500,000 | 500,000 |
| Sewer Fund | 200,000 | 200,000 | 200,000 | 200,000 |
| Total Transfers Out | 700,000 | 700,000 | 700,000 | 700,000 |
| Total Expenditures and Transfers Out Requiring Appropriation | 1,167,257 | 1,281,000 | 1,358,803 | 1,473,500 |
| ENDING FUND BALANCE | \$ 1,722,045 | \$ 2,353,232 | \$ 2,284,679 | \$ 2,133,860 |
| EMERGENCY RESERVE | \$ - | \$ 17,430 | \$ 19,764 | \$ 23,205 |

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

**Roxborough Water & Sanitation District
Debt Service Fund
Projected 2023
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31**

| | Actual 2021 | Budget 2022 | Estimated 2022 | Adopted 2023 |
|---|---------------------|---------------------|---------------------|---------------------|
| BEGINNING FUNDS AVAILABLE | \$ 6,136,517 | \$ 6,523,059 | \$ 6,523,059 | \$ 6,916,792 |
| REVENUE | | | | |
| Property Taxes | 719,633 | 836,383 | 836,383 | 567,412 |
| Specific Ownership Taxes | 66,195 | 80,000 | 60,000 | 80,000 |
| Investment Income | 794 | 30,000 | 1,000 | 30,000 |
| Total Revenue | 786,622 | 946,383 | 897,383 | 677,412 |
| TRANSFERS IN | | | | |
| Water Fund- Avail Service | 156,604 | 120,000 | 120,000 | 120,000 |
| Water Supply Fund | 1,087,917 | 1,092,000 | 1,092,000 | 1,092,000 |
| Ravenna CWCB Loan | | | | |
| Sewer Fund - Avail Service | 53,881 | 40,000 | 45,000 | 40,000 |
| Total Transfers In | 1,298,402 | 1,252,000 | 1,257,000 | 1,252,000 |
| Total Funds Available | 8,221,541 | 8,721,442 | 8,677,442 | 8,846,203 |
| EXPENDITURES | | | | |
| Treasurer's Fees | 10,330 | 15,000 | 15,000 | 15,000 |
| Loan Administrative Fee | 76,800 | 76,800 | 76,800 | 76,800 |
| Principal W05A105-CWRPDA | 520,000 | 535,000 | 535,000 | 545,000 |
| Interest W05A105-CWRPDA | 32,283 | 74,783 | 74,783 | 61,956 |
| Ravenna CWCB | 82,425 | 82,425 | 82,425 | 82,425 |
| Principal D15A356-PVH-CWRPDA | 228,828 | 231,031 | 231,031 | 233,236 |
| Interest D15A356-PVH-CWRPDA | 74,186 | 72,886 | 72,886 | 71,586 |
| Principal CT2015-176 PVH-CWCB | 51,296 | 52,861 | 52,861 | 54,473 |
| Interest CT2015-176 PVH-CWCB | 64,151 | 62,586 | 62,586 | 60,974 |
| Principal C150346-CWCB | 453,288 | 468,020 | 468,020 | 483,231 |
| Interest C150346-CWCB | 523,355 | 508,623 | 508,623 | 493,412 |
| Less PVH Loans | (418,460) | (419,364) | (419,364) | (420,269) |
| Total Expenditures | 1,698,482 | 1,760,651 | 1,760,651 | 1,757,824 |
| TRANSFERS OUT | | | | |
| Capital Project | - | - | - | - |
| Total Transfers Out | 0 | 0 | - | 0 |
| Total Expenditures and Transfers Out Requiring Appropriation | 1,698,482 | 1,760,651 | 1,760,651 | 1,757,824 |
| ENDING FUNDS AVAILABLE | \$ 6,523,059 | \$ 6,960,791 | \$ 6,916,792 | \$ 7,088,379 |

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

**Roxborough Water & Sanitation District
Capital Projects Fund
Projected 2023
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31**

| | ACTUAL 2021 | Budget 2022 | ESTIMATED 2022 | Adopted 2023 |
|---|-------------------|-------------------|-------------------|---------------------|
| BEGINNING FUNDS AVAILABLE | \$ 546,589 | \$ 543,316 | \$ 543,316 | \$ 543,316 |
| REVENUE | | | | |
| Transfer from Sewer Fund | | 560,000 | 560,000 | 0 |
| Transfer from Water Fund | | 1,800,000 | 500,000 | 3,565,000 |
| Ravenna Phase 3/4 | | | | |
| System Capacity Improvements- | | 0 | | |
| Misc Dominion EQR | | | | 1,000,000 |
| Investment Income | | 0 | | 0 |
| Total Revenue | <u>0</u> | <u>2,360,000</u> | <u>1,060,000</u> | <u>4,565,000</u> |
| TRANSFERS IN | | | | |
| General Fund | | | | |
| Debt Service Fund | | | | |
| Sewer Fund | | | | |
| Water Fund | | 0 | | |
| Total Transfers In | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Funds Available | <u>546,589</u> | <u>2,903,316</u> | <u>1,603,316</u> | <u>5,108,316</u> |
| EXPENDITURES | | | | |
| Water Treatment-Dominion | | 1,800,000 | 500,000 | |
| Valley View CC | 3,273 | | 0 | 1,205,000 |
| Ravenna Phase 3/4 | | | | 2,360,000 |
| System Cap Improvements-DWSD WW Conv | 0 | 560,000 | 560,000 | 250,000 |
| Total Expenditures | <u>3,273</u> | <u>2,360,000</u> | <u>1,060,000</u> | <u>3,815,000</u> |
| TRANSFERS OUT | | | | |
| Debt Service Fund | 0 | | | 0 |
| General Fund | 0 | | | 0 |
| Total Transfers Out | <u>0</u> | | <u>0</u> | <u>0</u> |
| Total Expenditures and Transfers Out Requiring Appropriation | <u>3,273</u> | <u>2,360,000</u> | <u>1,060,000</u> | <u>3,815,000</u> |
| ENDING FUNDS AVAILABLE | <u>\$ 543,316</u> | <u>\$ 543,316</u> | <u>\$ 543,316</u> | <u>\$ 1,293,316</u> |

Roxborough Water & Sanitation District
Water Fund
Projected 2023
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31

| | Actual 2021 | Budget 2022 | Estimated 2022 | Adopted 2023 |
|--------------------------------------|----------------|----------------|-------------------|-----------------|
| BEGINNING FUNDS AVAILABLE | \$ 10,267,784 | \$ 11,207,162 | \$ 11,207,162 | \$ 9,876,083 |
| REVENUE | | | | |
| Service Charges | 3,992,814 | 3,200,000 | 3,600,000 | 3,200,000 |
| Permit Fees | 10,725 | 1,200 | 15,000 | 1,200 |
| Hydrant Water | 75,788 | 40,000 | 80,000 | 40,000 |
| Miscellaneous Income | 123,646 | 70,000 | 75,000 | 70,000 |
| Point-to-Irrigation Water | 60,816 | 40,000 | 75,000 | 40,000 |
| Irrigation Raw Water | 457,724 | 250,000 | 375,000 | 250,000 |
| Availability Charges | 156,604 | 120,000 | 122,000 | 120,000 |
| Rental Income | | 7,200 | | 7,200 |
| Investment Income | 46,716 | 50,000 | 55,000 | 50,000 |
| System Development Charge | 666,477 | 275,000 | 475,000 | 275,000 |
| Ravena SDC | 291,096 | 250,000 | 300,000 | 250,000 |
| WCC Water Line Project | | | | 1,205,000 |
| Ratons (Bond Proceeds) | | 0 | | 3,196,997 |
| Incubation Fees | | 100,000 | 60,000 | 50,000 |
| Expense Reimbursements Other | 11,220 | 20,000 | 30,000 | 20,000 |
| Dominion WTP Operations | 575,816 | 500,000 | 625,000 | 500,000 |
| Dominion Distribution Operations | 279,714 | 200,000 | 200,000 | 200,000 |
| Dominion Treated Water Usage | 37,205 | 100,000 | 125,000 | 100,000 |
| Dominion Reimbursement Capital | 192,091 | 0 | 350,000 | 0 |
| Cap Surcharges- Water Supply | 1,087,917 | 1,036,808 | 1,116,187 | 1,036,808 |
| Capital - Surcharges | 137,107 | 80,000 | 140,000 | 80,000 |
| Total Operating Revenue | 8,263,476 | 6,340,208 | 7,838,187 | 10,692,205 |
| Transfers other Funds | | | | |
| General Fund | 500,000 | 500,000 | 500,000 | 500,000 |
| Total Transfers In | 500,000 | 500,000 | 500,000 | 500,000 |
| Total Funds Available | 18,971,260 | 18,047,370 | 19,545,349 | 21,068,288 |
| Expenditures | | | | |
| Payroll/Taxes/Benefits | 954,036 | 990,000 | 947,829 | 1,085,000 |
| Accounting | 52,250 | 65,000 | 64,000 | 65,000 |
| Bank Charges | | 0 | 3,000 | 0 |
| Contract Labor | 35,261 | 55,000 | 40,000 | 55,000 |
| Dominion | 4,472 | 80,000 | 30,000 | 80,000 |
| Education | 15,208 | 50,000 | 20,000 | 50,000 |
| Engineering | 344,083 | 250,000 | 375,000 | 275,000 |
| GIS and Asset Management | 20,240 | 25,000 | 20,000 | 50,000 |
| Conservation Rebates | 600 | 2,500 | 25,000 | 25,000 |
| Insurance | 47,025 | 40,000 | 50,000 | 50,000 |
| Lab & Test Fees | 31,168 | 29,000 | 25,000 | 25,000 |
| Legal Fees | 34,548 | 75,000 | 50,000 | 75,000 |
| Meter Expense | 53,983 | 125,000 | 100,000 | 125,000 |
| Miscellaneous Expense | 24,980 | 20,000 | 6,000 | 20,000 |
| Office Expense | 29,750 | 40,000 | 30,000 | 40,000 |
| Operating Supplies/Chemicals | 103,771 | 124,000 | 150,000 | 175,000 |
| Permits/Dues/Subscriptions | 6,506 | 8,000 | 9,000 | 8,000 |
| Repairs & Maintenance | 456,111 | 450,000 | 425,000 | 475,000 |
| Safety Equipment/Uniform | 2,474 | 7,000 | 7,000 | 7,000 |
| Utilities | 223,057 | 225,000 | 290,000 | 315,000 |
| Tap Fees Centennial | 10,870 | 50,000 | 50,000 | 50,000 |
| Vehicle Expense | 13,636 | 22,000 | 5,000 | 15,000 |
| Water Cost | 2,224,412 | 1,600,000 | 2,000,000 | 2,050,000 |
| Water Rights- Meadow Ditch | 37,748 | 100,000 | 5,000 | 2,500 |
| Capital Outlay | 1,093,388 | 5,685,000 | 2,500,000 | 4,695,000 |
| Total Expenditures | 5,819,577 | 10,117,500 | 7,226,829 | 9,912,500 |
| Transfers Out | | | | |
| Transfer to Capital Fund | | 1,800,000 | 200,000 | 3,565,000 |
| Transfer Out | 700,000 | | | |
| Water Supply fund | 1,087,917 | 1,036,808 | 1,116,187 | 1,036,808 |
| Debt Service Fund | 156,604 | 120,000 | 122,000 | 120,000 |
| Total Transfers Out | 1,944,521 | 2,956,808 | 1,438,187 | 4,721,808 |
| Total Expenditures and Transfers Out | | | | |
| Requiring Appropriation | 7,764,098 | 13,074,308 | 8,665,016 | 14,634,308 |
| ENDING FUND BALANCE | \$ 11,207,162 | \$ 4,973,062 | \$ 10,880,333 | 6,433,980 |

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

Roxborough Water & Sanitation District
Sewer Fund
Projected 2023
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31

| | Actual 2021 | Budget 2022 | Estimated 2022 | Adopted 2023 |
|--------------------------------------|----------------|----------------|-------------------|-----------------|
| BEGINNING FUNDS AVAILABLE | \$ 8,482,491 | \$ 9,443,023 | \$ 9,443,023 | \$ 9,929,566 |
| REVENUE | | | | |
| Service Charges | 1,698,940 | 1,600,000 | 1,850,000 | 1,800,000 |
| Service Charges - LMA | 289,101 | 300,000 | 350,000 | 300,000 |
| Dominion Capital Lease O-Line | 150,000 | 200,000 | 200,000 | 200,000 |
| Permit Fees | 20,625 | 5,000 | 20,000 | 33,000 |
| Miscellaneous Income | 17,484 | 30,000 | 20,000 | 20,000 |
| Availability Charges | 53,881 | 40,000 | 40,000 | 40,000 |
| Investment Income | 55,334 | 50,000 | 55,000 | 55,000 |
| System Development Charge | 487,760 | 50,000 | 460,000 | 200,000 |
| Dominion WWTP Operations | | 0 | - | 0 |
| Dominion Sewer Conveyance | 124,474 | 240,000 | 350,000 | 360,000 |
| Dominion Collection Operations | | 0 | - | 0 |
| Dominion Reimbursements | 949 | 50,000 | 275,000 | 50,000 |
| Capital - Surcharges | 148,637 | 100,000 | 160,000 | 160,000 |
| Total Operating Revenue | 3,047,185 | 2,665,000 | 3,780,000 | 3,218,000 |
| Transfers In | | | | |
| Water Fund | - | | | |
| General Fund | 200,000 | 200,000 | 200,000 | 200,000 |
| Total Transfers In | 200,000 | 200,000 | 200,000 | 200,000 |
| Total Funds Available | 11,729,676 | 12,308,023 | 13,423,023 | 13,347,566 |
| Expenditures | | | | |
| Payroll/Taxes/Benefits | 336,029 | 325,000 | 406,906 | 485,000 |
| Accounting | 26,125 | 30,000 | 28,500 | 31,500 |
| Bank Charges | | | 3,000 | 3,000 |
| Contract Labor | 35,261 | 40,000 | 30,000 | 30,000 |
| Education | 7,411 | 30,000 | 25,000 | 25,000 |
| Engineering | 125,128 | 100,000 | 120,000 | 125,000 |
| GIS- Asset Management | 2,725 | 50,000 | 20,000 | 25,000 |
| Insurance | 23,202 | 28,000 | 30,000 | 30,000 |
| Dominion Expense | 9,098 | 50,000 | - | 0 |
| Lab & Test Fees | 1,579 | 1,000 | - | 1,000 |
| Legal Fees | 17,448 | 35,000 | 15,000 | 15,000 |
| Littleton Service Fees | 921,915 | 950,000 | 950,000 | 1,100,000 |
| Miscellaneous Expense | 2,409 | 8,000 | 1,000 | 1,000 |
| Office Expense | 21,646 | 20,000 | 15,000 | 15,000 |
| Operating Supplies/Chemicals | 45,343 | 80,000 | 50,000 | 100,000 |
| Permits/Dues/Subscriptions | 2,100 | 3,000 | 1,000 | 1,000 |
| Repairs & Maintenance | 144,310 | 200,000 | 150,000 | 150,000 |
| Safety Equipment/Uniform | 1,260 | 2,000 | 2,000 | 2,000 |
| Utilities | 86,552 | 110,000 | 100,000 | 100,000 |
| Vehicle Expense | 5,911 | 8,000 | 2,000 | 2,000 |
| Capital Outlay | 417,320 | 2,000,000 | 450,000 | 2,280,000 |
| Total Expenditures | 2,232,772 | 4,070,000 | 2,399,406 | 4,521,500 |
| Transfers Out | | | | |
| Operating Reserve | | - | - | - |
| Transfer to Capital Fund | | 560,000 | - | - |
| Debt Service Fund | 53,881 | 40,000 | 40,000 | 40,000 |
| Total Transfers Out | 53,881 | 600,000 | 40,000 | 40,000 |
| Total Expenditures and Transfers Out | 2,286,653 | 4,670,000 | 2,439,406 | 4,561,500 |
| FINDING FUND BALANCE | \$ 9,443,023 | \$ 7,638,023 | \$ 10,983,617 | \$ 8,786,066 |

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

Roxborough Water & Sanitation District
Water Fund-Distribution
Projected 2023
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31

| Actual | Budget | Estimated | Adopted |
|--------|--------|-----------|---------|
| 2021 | 2022 | 2022 | 2023 |

Expenditures

| | | | | |
|------------------------------|------------------|------------------|------------------|------------------|
| Payroll/Taxes/Benefits | 338,303 | 330,000 | 347,829 | 360,000 |
| Accounting | 26,125 | 32,500 | 32,500 | 32,500 |
| Bank charges | | | 2,000 | |
| Contract Labor | 35,261 | 40,000 | 35,000 | 40,000 |
| Dominion | 4,282 | 60,000 | - | 60,000 |
| Education | 7,367 | 25,000 | 10,000 | 25,000 |
| Engineering | 230,575 | 150,000 | 225,000 | 200,000 |
| GIS & Asset Management | 20,240 | 25,000 | 20,000 | 25,000 |
| Conservation Rebates | 600 | 2,500 | 40,000 | 25,000 |
| Insurance | 23,823 | 20,000 | 25,000 | 25,000 |
| Lab & Test Fees | 15,429 | 14,000 | 7,000 | 10,000 |
| Legal Fees | 22,958 | 37,500 | 25,000 | 37,500 |
| Meter Expense | 53,983 | 125,000 | 165,000 | 125,000 |
| Miscellaneous Expense | 4,761 | 10,000 | 1,000 | 10,000 |
| Office Expense | 23,029 | 20,000 | 20,000 | 20,000 |
| Operating Supplies/Chemicals | 2,690 | 4,000 | - | 0 |
| Permits/Dues/Subscriptions | 5,799 | 5,000 | 6,000 | 5,000 |
| Repairs & Maintenance | 253,554 | 200,000 | 225,000 | 225,000 |
| Safety Equipment/Uniform | 1,269 | 2,000 | 2,000 | 2,000 |
| Utilities | 72,543 | 75,000 | 60,000 | 75,000 |
| Tap Fees Centennial | | 0 | - | 0 |
| Vehicle Expense | 6,836 | 11,000 | 2,500 | 5,000 |
| Water Cost | 2,220,598 | 1,552,000 | 2,000,000 | 2,000,000 |
| Water Rights-Meadow Ditch | 34,060 | 100,000 | 2,500 | 2,500 |
| Capital Outlay | 210,236 | 5,185,000 | 1,250,000 | 3,555,000 |
| Total Expenditures | 3,614,321 | 8,025,500 | 4,503,329 | 6,864,500 |

Roxborough Water & Sanitation District
Water Fund-Treatment
Projected 2023
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31

| Actual | Budget | Estimated | Adopted |
|--------|--------|-----------|---------|
| 2021 | 2022 | 2022 | 2023 |

Expenditures

| | | | | |
|------------------------------|---------|---------|----------|-----------|
| Payroll/Taxes/Benefits | 615,733 | 660,000 | 600,000 | 725,000 |
| Accounting | 26,125 | 32,500 | 31,500 | 32,500 |
| Bank charges | | | 2,000 | |
| Contract Labor | | 15,000 | - | 15,000 |
| Dominion | 190 | 20,000 | - | 20,000 |
| Education | 7,841 | 25,000 | 10,000 | 25,000 |
| Engineering | 113,508 | 100,000 | 150,000 | 175,000 |
| GIS Asset Management | | 0 | - | 25,000 |
| Conservation Rebates | | 0 | - | 0 |
| Insurance | 23,202 | 20,000 | 25,000 | 25,000 |
| Lab & Test Fees | 15,739 | 15,000 | 10,000 | 15,000 |
| Legal Fees | 11,590 | 37,500 | 15,000 | 37,500 |
| Meter Expense | | 0 | (33,000) | 0 |
| Miscellaneous Expense | 20,219 | 10,000 | 5,000 | 10,000 |
| Office Expense | 6,721 | 20,000 | 10,000 | 20,000 |
| Operating Supplies/Chemicals | 101,081 | 120,000 | 175,000 | 175,000 |
| Permits/Dues/Subscriptions | 707 | 3,000 | 3,000 | 3,000 |
| Repairs & Maintenance | 202,557 | 250,000 | 200,000 | 250,000 |
| Safety Equipment/Uniform | 1,205 | 5,000 | 5,000 | 5,000 |
| Utilities | 150,514 | 150,000 | 230,000 | 240,000 |
| Tap Fees Centennial | 10,870 | 50,000 | - | 50,000 |
| Vehicle Expense | 6,800 | 11,000 | 5,000 | 10,000 |
| Water Cost | 3,814 | 48,000 | 50,000 | 50,000 |
| Water Rights | 3,688 | 0 | - | 0 |
| Capital Outlay | 883,152 | 500,000 | 711,542 | 1,140,000 |

Total Expenditures

| | | | | |
|---|-----------|-----------|-----------|-----------|
| - | 2,205,256 | 2,092,000 | 2,205,042 | 3,048,000 |
|---|-----------|-----------|-----------|-----------|

**Roxborough Water and Sanitation District
Debt Service Requirements to Maturity**

\$10,000,000 Clean Water Revenue Bonds

Dated May 5, 2005

Interest Rate 3.35%

Interest Payable

March 1 and September 1

Principal Payable September 1

| Bonds and Interest Maturing in the Year Ending December 31, | Administrative | | | |
|--|-----------------------|---------------------|---------------------|----------------------|
| | Principal | Fee | Interest | Total |
| 2008 | 350,000 | 76,800 | 256,396 | 683,196 |
| 2009 | 360,000 | 76,800 | 245,379 | 682,179 |
| 2010 | 375,000 | 76,800 | 234,048 | 685,848 |
| 2011 | 385,000 | 76,800 | 222,244 | 684,044 |
| 2012 | 395,000 | 76,800 | 210,126 | 681,926 |
| 2013 | 410,000 | 76,800 | 197,692 | 684,492 |
| 2014 | 425,000 | 76,800 | 184,787 | 686,587 |
| 2015 | 435,000 | 76,800 | 171,409 | 683,209 |
| 2016 | 450,000 | 76,800 | 157,717 | 684,517 |
| 2017 | 465,000 | 76,800 | 143,553 | 685,353 |
| 2018 | 480,000 | 76,800 | 128,916 | 685,716 |
| 2019 | 490,000 | 76,800 | 115,007 | 681,807 |
| 2020 | 505,000 | 76,800 | 104,484 | 686,284 |
| 2021 | 520,000 | 76,800 | 89,851 | 686,651 |
| 2022 | 535,000 | 76,800 | 74,783 | 686,583 |
| 2023 | 545,000 | 76,800 | 61,955 | 683,755 |
| 2024 | 560,000 | 76,800 | 47,525 | 684,325 |
| 2025 | 595,000 | 55,575 | 32,699 | 683,274 |
| 2026 | 640,000 | 28,800 | 16,945 | 685,745 |
| | <u>\$ 8,920,000</u> | <u>\$ 1,389,975</u> | <u>\$ 2,695,516</u> | <u>\$ 13,005,491</u> |

Callable:

September 1, 2016 with no premium

Colorado Water Conservation Board

Dated December 01, 2015

Interest Rate 3.25

Interest Payable

December 1,

Principal Payable December 1

| Bonds and Interest Maturing in the Year Ending December 31, | Administrative | | | Total |
|--|-----------------------|-------------|----------------------|----------------------|
| | Principal | Fee | Interest | |
| 2015 | 374,140 | - | 602,503 | 976,643 |
| 2016 | 386,299 | - | 590,344 | 976,643 |
| 2017 | 398,854 | - | 577,789 | 976,643 |
| 2018 | 411,817 | - | 564,826 | 976,643 |
| 2019 | 425,201 | - | 551,442 | 976,643 |
| 2020 | 439,020 | - | 537,623 | 976,643 |
| 2021 | 453,288 | - | 523,355 | 976,643 |
| 2022 | 468,020 | - | 508,623 | 976,643 |
| 2023 | 483,231 | - | 493,412 | 976,643 |
| 2024 | 498,936 | - | 477,707 | 976,643 |
| 2025 | 515,151 | - | 461,492 | 976,643 |
| 2026 | 531,893 | - | 444,750 | 976,643 |
| 2027 | 549,180 | - | 427,463 | 976,643 |
| 2028 | 567,028 | - | 409,615 | 976,643 |
| 2029 | 585,457 | - | 391,186 | 976,643 |
| 2030 | 604,484 | - | 372,159 | 976,643 |
| 2031 | 624,130 | - | 352,513 | 976,643 |
| 2032 | 644,414 | - | 332,229 | 976,643 |
| 2033-2044 | 9,578,007 | - | 2,141,701 | 11,719,708 |
| | <u>\$ 18,538,550</u> | <u>\$ -</u> | <u>\$ 10,760,732</u> | <u>\$ 29,299,282</u> |

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: **4007 - Roxborough Water & Sanitation District**

IN DOUGLAS COUNTY ON 11/18/2022

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022 IN DOUGLAS COUNTY, COLORADO

| | |
|---|---------------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$188,138,420 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | \$185,619,960 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY: | \$0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$185,619,960 |
| 5. NEW CONSTRUCTION: ** | \$2,637,628 |
| 6. INCREASED PRODUCTION OF PRODUCING MINES: # | \$0 |
| 7. ANNEXATIONS/INCLUSIONS: | \$0 |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ## | \$0 |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.): ## | \$0 |
| 10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.): | \$4,247.52 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.): | \$513.11 |

* This value reflects personal property exemptions IF enacted by the Jurisdiction as authorized by Art. X, Sec.20(B)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2022

| | |
|--|-----------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @ | \$2,290,799,243 |
| ADDITIONS TO TAXABLE REAL PROPERTY: | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: † | \$33,349,447 |
| 3. ANNEXATIONS/INCLUSIONS: | \$0 |
| 4. INCREASED MINING PRODUCTION: % | \$0 |
| 5. PREVIOUSLY EXEMPT PROPERTY: | \$0 |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | \$0 |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: | \$0 |
| (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.) | |
| DELETIONS FROM TAXABLE REAL PROPERTY: | |
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | \$0 |
| 9. DISCONNECTIONS/EXCLUSION: | \$0 |
| 10. PREVIOUSLY TAXABLE PROPERTY: | \$0 |

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

† Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

| | |
|---|-----------|
| IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: _____→ | \$0 |
| NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022 | |
| IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** | \$108,862 |
| ** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3), C.R.S. | |

Data Date: 11/17/2022

Type of Authority: Water & Sanitation
Tax Authority: 4007

| | Value Type | Real Actual Value | Personal Actual Value | Real Assessed Value | Personal Assessed Value |
|--|-------------------|----------------------|-----------------------|---------------------|-------------------------|
| Roxborough Water & Sanitation District | Agricultural | 141,345 | 0 | 37,310 | 0 |
| Roxborough Water & Sanitation District | Commercial | 37,793,078 | 10,321,445 | 10,960,000 | 2,993,210 |
| Roxborough Water & Sanitation District | Exempt | 51,658,870 | 83,670 | 14,981,030 | 5,820 |
| Roxborough Water & Sanitation District | Industrial | 22,445,336 | 324,388 | 6,509,170 | 94,080 |
| Roxborough Water & Sanitation District | Natural Resources | 1,491 | 0 | 440 | 0 |
| Roxborough Water & Sanitation District | Residential | 2,189,819,800 | 0 | 152,191,890 | 0 |
| Roxborough Water & Sanitation District | State Assessed | 181,234 | 8,835,124 | 52,800 | 2,562,300 |
| Roxborough Water & Sanitation District | Vacant Land | 35,237,395 | 0 | 10,218,960 | 0 |
| Total for Authority | | 2,337,278,549 | 19,564,627 | 194,951,400 | 5,655,410 |



SCOT KERSGAARD

Assessor

December 5, 2022

OFFICE OF THE ASSESSOR
100 Jefferson County Parkway
Golden, CO 80419-2500
Phone: 303-271-8600
Fax: 303-271-8616
Website: <http://assessor.jeffco.us>
E-mail Address: assessor@jeffco.us

ROXBOROUGH WATER & SAN DIST
BARBARA BIGGS, GENERAL MANAGER
6222 N ROXBOROUGH PARK RD
LITTLETON CO 80125

Code # 4788

CERTIFICATION OF VALUATION

The Jefferson County Assessor reports a taxable assessed valuation for your taxing entity for 2022 of:

\$98,085,836

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

SCOT KERSGAARD
Jefferson County Assessor

enc

CERTIFICATION OF VALUATION BY JEFFERSON COUNTY ASSESSOR

New Tax Entity YES NO

Date: December 5, 2022

NAME OF TAX ENTITY: ROXBOROUGH WATER & SAN DIST

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

| | | | |
|---|-----|----|-------------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 1. | \$ | 100,268,667 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡ | 2. | \$ | 98,085,836 |
| 3. LESS TOTAL TIF AREA INCREMENTS, IF ANY: | 3. | \$ | 0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 4. | \$ | 98,085,836 |
| 5. NEW CONSTRUCTION: * | 5. | \$ | 0 |
| 6. INCREASED PRODUCTION OF PRODUCING MINE: ≈ | 6. | \$ | 0 |
| 7. ANNEXATIONS/INCLUSIONS: | 7. | \$ | 0 |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈ | 8. | \$ | 0 |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ☐ | 9. | \$ | 0 |
| 10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified: | 10. | \$ | 0 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.): | 11. | \$ | 0 |

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution

* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

☐ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

| | | | |
|--|----|----|-------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶ | 1. | \$ | 257,522,004 |
| ADDITIONS TO TAXABLE REAL PROPERTY | | | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | 2. | \$ | 0 |
| 3. ANNEXATIONS/INCLUSIONS: | 3. | \$ | 0 |
| 4. INCREASED MINING PRODUCTION: § | 4. | \$ | 0 |
| 5. PREVIOUSLY EXEMPT PROPERTY: | 5. | \$ | 0 |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | 6. | \$ | 0 |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.): | 7. | \$ | 0 |

DELETIONS FROM TAXABLE REAL PROPERTY

| | | | |
|---|-----|----|---|
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | 8. | \$ | 0 |
| 9. DISCONNECTIONS/EXCLUSIONS: | 9. | \$ | 0 |
| 10. PREVIOUSLY TAXABLE PROPERTY: | 10. | \$ | 0 |

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

• Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

| | | | |
|---|----|----|-------------|
| 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY | 1. | \$ | 338,277,636 |
|---|----|----|-------------|

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

| | | | |
|--|--|----|--------|
| HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** | | \$ | 26,615 |
|--|--|----|--------|

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

STATE OF COLORADO
COUNTY OF DOUGLAS
PLUM VALLEY HEIGHTS SUBDISTRICT OF THE
ROXBOROUGH WATER AND SANITATION DISTRICT
2023 BUDGET RESOLUTION NO. 22-11-01

The Board of Directors (the “Subdistrict Board”) of Plum Valley Heights Subdistrict of the Roxborough Water and Sanitation District, Douglas County, Colorado, held a regular meeting on Wednesday, the 16th day of November, 2022 at 8:00 a.m. at 6222 North Roxborough Park Road, Littleton, Colorado.

The following members of the Board of Directors were present:

David Bane – President
Kenneth Maas – Vice-President
Keith Lehmann – Secretary
Christine Thomas – Treasurer
John Kim – Assistant Secretary

Also present: Barbara Biggs, Lucie Taylor, Mike Marcum, Lisa Hoover, and Dorice Vidger; Roxborough Water and Sanitation District; Ted Snailum, TWS Financial, Inc.; Bill Goetz, TST Infrastructure; and Alan D. Pogue, Esq., Icenogle Seaver Pogue, P.C.; Josh Baile, Dominion Water and Sanitation District; and Stephen Throneberry, Resident.

The President reported that, prior to the meeting, notification was provided to each of the Directors of the date, time, and place of the meeting and the purpose for which it was called. It was further reported that the meeting is a regular meeting of the Subdistrict Board and that a Notice of Regular Meeting was posted to the District website at Roxwater.org and to the best of his knowledge remained posted to the date of this meeting.

At the Subdistrict Board’s regular meeting held on November 16, 2022, the President stated that proper publication was made to allow the Subdistrict Board to conduct a public hearing on the Subdistrict’s 2023 budget. The President opened the public hearing on the Subdistrict’s proposed 2023 budget for public comment, if any, and then the public hearing was closed. Upon discussion of the Subdistrict’s proposed 2023 budget by members of the Subdistrict Board, Director Lehmann moved that the Subdistrict Board adopt the following Resolution:

RESOLUTION NO. 22-11-01

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN, AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAID THE COSTS OF GOVERNMENT, FOR PLUM VALLEY HEIGHTS SUBDISTRICT OF THE ROXBOROUGH WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE 1ST DAY OF JANUARY, 2022, AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

WHEREAS, the Board of Directors (the "Subdistrict Board") of Plum Valley Heights Subdistrict of the Roxborough Water and Sanitation District (the "Subdistrict") has authorized its staff 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 Subdistrict Board for its consideration; and

WHEREAS, due and proper notice was published on Thursday, November 10, 2022 in the *Canyon Courier* and the *Douglas County News Press*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; and (iii) that any interested elector of the Subdistrict may file any objections to the proposed budget at any time prior to the final adoption of the budget by the Subdistrict; and

WHEREAS, a public hearing on the proposed budget was opened on Wednesday, November 16, 2022, at which time any objections of the electors of the Subdistrict were considered; and

WHEREAS, the budget being adopted by the Subdistrict Board has been prepared based on the best information available to the Subdistrict 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 SUBDISTRICT BOARD OF DIRECTORS OF PLUM VALLEY HEIGHTS SUBDISTRICT OF THE ROXBOROUGH WATER AND SANITATION DISTRICT OF DOUGLAS COUNTY, COLORADO:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget attached hereto as Exhibit A and incorporated herein by this reference, is approved and adopted as the budget of Plum Valley Heights Subdistrict of the Roxborough Water and Sanitation District for fiscal year 2023. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization.

Section 3. 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 4. Budget Certification. That the budget shall be certified by Director Lehmann, Secretary of the Subdistrict, and made a part of the public records of the Subdistrict, and a certified copy of the approved and adopted budget shall be filed with the Colorado Department of Local Affairs Division of Local Government.

Section 5. 2023 Levy of General Property Taxes. That the foregoing budget indicates that the amount of property taxes necessary to be collected from property located within the Subdistrict's boundaries in Douglas County for the General Fund representing general operating expenses of the Subdistrict is \$22,074, and that the 2022 valuation for assessment for property located within the Subdistrict's boundaries in Douglas County, as certified by the Douglas County Assessor, is \$22,073,550. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 1.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District located in Douglas County for the year 2023.

Section 6. 2023 Levy of Debt Retirement Expenses. That the amount of property taxes required to be collected from property located within the Subdistrict's boundaries in Douglas County for payment of Debt Service is \$428,226, and that the 2022 valuation for

assessment for property located within the Subdistrict's boundaries in Douglas County, as certified by the Douglas County Assessor, is \$22,073,550. That for the purposes of meeting all debt retirement expenses of the Subdistrict during the 2023 budget year, there is hereby levied a tax of 19.400 mills upon each dollar of the total valuation of assessment of all taxable property within the Subdistrict located in Douglas County for the year 2023.

Section 7. Certification to County Commissioners. That General Counsel is hereby authorized and directed to certify to the County Commissioners of Douglas County, the mill levy for the Subdistrict hereinabove determined and set. That said certification shall be in substantially the following form:

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado

On behalf of the Plum Valley Heights Subdistrict of the Roxborough Water and Sanitation District,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Plum Valley Heights Subdistrict of the Roxborough Water and Sanitation District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 22,073,550 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: \$ 22,073,550 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/13/2022 for budget/fiscal year 2023
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

| PURPOSE (see end notes for definitions and examples) | LEVY ² | REVENUE ² |
|--|---------------------|----------------------|
| 1. General Operating Expenses ^H | <u>1.000</u> mills | \$ <u>22,074</u> |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < > mills | \$ < > |
| SUBTOTAL FOR GENERAL OPERATING: | 1.000 mills | \$ 22,074 |
| 3. General Obligation Bonds and Interest ^J | <u>0.000</u> mills | \$ <u>0.00</u> |
| 4. Contractual Obligations ^K | <u>19.400</u> mills | \$ <u>428,226</u> |
| 5. Capital Expenditures ^L | <u>0.000</u> mills | \$ <u>0.00</u> |
| 6. Refunds/Abatements ^M | <u>0.000</u> mills | \$ <u>0.00</u> |
| 7. Other ^N (specify): _____ | <u>0.000</u> mills | \$ <u>0.00</u> |
| | _____ mills | \$ _____ |
| TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7] | 20.400 mills | \$ 450,300 |

Contact person: (print) Alan D. Pogue Daytime phone: 303-292-9100
Signed:  Title: General Counsel

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) 866-2156.

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: _____
Title: _____
Date of Issue: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

1. Purpose of Issue: Water System Project Costs
Title: Drinking Water Revolving Fund Loan Agreement
Date of Issue: April 1, 2015
Principal Amount: \$5,199,125
Maturity Date: August 1, 2036
Levy: 13.734
Revenue: \$ 303,158

2. Purpose of Issue: Acquisition of Water Supply
Title: Colorado Water Conservation Board Public Loan
Date of Issue: August 19, 2015
Coupon Rate: 3.05%
Maturity Date: 30 Years from Date Funds are Drawn
Levy: 5.217
Revenue: \$115,157

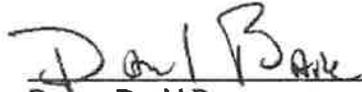
3. Purpose of Issue: Water System Project Costs
Title: IGA Concerning Financing and Construction of Water Public Improvements
Date of Issue: February 18, 2015
Coupon Rate: 2.5% per annum
Maturity Date: N/A Cash flow obligation until paid in full.
Levy: 0.449
Revenue: \$9,911

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

The foregoing Resolution was seconded by Director Thomas.

ADOPTED AND APPROVED THIS 16TH DAY OF NOVEMBER, 2022.

PLUM VALLEY HEIGHTS SUBDISTRICT OF THE
ROXBOROUGH WATER AND SANITATION DISTRICT


By: David Bane
Its: President

CERTIFICATION OF RESOLUTION

I, Keith Lehmann, Secretary, for the Plum Valley Heights Subdistrict of the Roxborough Water and Sanitation District (the "Subdistrict"), do hereby certify that the annexed and foregoing Resolution is a true copy from the Records of the proceedings of the Board of said Subdistrict, on file with Icenogle Seaver Pogue, P.C., general counsel to the Subdistrict.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Subdistrict, this 16th day of November, 2022.





Keith Lehmann, Secretary

EXHIBIT A
Budget Message
Budget Document

**Plum Valley Heights Subdistrict of Roxborough
Water and Sanitation District
Adopted Budget 2023**

Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District
2023 Budget
Summary of Significant Assumptions

Services Provided

The Roxborough Water and Sanitation District was formed January 12, 1972, to provide water, sewer and fire protection services within its boundaries. The Service Plan has been amended and as of January 4, 2000, the District no longer provides fire protection. The District is governed by a five-member Board of Directors elected by the residents. The subdistrict was formed on August 21, 2013.

The Subdistrict prepares its budget on the modified accrual basis of accounting. For financial statement reporting under generally accepted accounting principles (GAAP), the District uses the full accrual basis of accounting. Consequently, the terminology of "Funds Available" is used in the budget to distinguish the difference from GAAP accounting for Fund Balance. Funds Available represents each fund's current assets less its current liabilities except for current portions of long-term debt. In addition, the budget separates individual funds which are included as one entity in the GAAP presentation.

Revenues

Property Taxes

The source of revenue is property taxes. The calculation of the taxes levied is displayed at the total adopted mill levy of 20.40.

Specific Ownership Taxes

This revenue is based on a sharing of the collection of vehicle ownership taxes pooled by the County. The estimate is based on a ratio of prior year's revenue to property taxes.

Interest

Interest earned on the District's available funds has been estimated based on the average interest rate of approximately 0.24 %

Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District
2023 Budget
Summary of Significant Assumptions
(Continued)

Expenditures

Administrative and Operating Expenses

Operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, meeting expense, and other administrative expenses.

Debt Service

The debt service expenditures are for principal and interest payments related to the 2015 Water Infrastructure Loans which were issued through the Colorado Water Resources and Power Development Authority and also the 2015 CWCB loan used to purchase a permanent water supply from Aurora Water. See attached debt service schedule.

Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District
Property Tax Summary Information
For the Years Ended and Ending December 31

| | ACTUAL 2021 | ESTIMATED 2022 | ADOPTED 2023 |
|------------------------------|----------------------|----------------------|----------------------|
| ASSESSSED VALUATION | | | |
| Douglas County | | | |
| Residential | \$ 9,574,690 | \$ 11,167,650 | \$ 10,943,830 |
| Commercial | \$ 1,701,000 | \$ 2,276,490 | \$ 2,276,490 |
| Industrial | \$ 5,981,800 | \$ 6,535,130 | \$ 6,509,170 |
| Exempt | \$ 269,610 | \$ 268,980 | \$ 1,771,050 |
| Agriculture | \$ 800 | \$ 1,500 | \$ 3,000 |
| Vacant Land | \$ 1,082,820 | \$ 1,561,690 | \$ 1,468,860 |
| Personal Property | \$ 641,340 | \$ 586,410 | \$ 872,200 |
| | 18,982,450 | 22,128,870 | 22,073,550 |
| Adjustments - New Growth | - | - | - |
| Certified Assessed Value | <u>\$ 18,982,450</u> | <u>\$ 22,128,870</u> | <u>\$ 22,073,550</u> |
| ASSESSSED VALUATION | | | |
| Estimated Tax - debt service | \$ 446,088 | \$ 429,300 | \$ 428,227 |
| Estimated Tax - General | 18,982 | 22,129 | \$ 22,074 |
| Adjustments | - | - | - |
| Certified Assessed Value | <u>\$ 465,070</u> | <u>\$ 451,429</u> | <u>\$ 450,300</u> |
| MILL LEVY | | | |
| Debt Service | 23.5 | 19.4 | 19.4 |
| General Mill Levy | 1 | 1 | 1 |
| Total Mill Levy | <u>24.5</u> | <u>20.4</u> | <u>20.4</u> |

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions

Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District
Debt Service Fund
Adopted 2023 Budget
With 2021 Actual and 2022 Estimated
For the Years Ended and Ending December 31

| | Actual | Estimated | Adopted |
|-------------------------------------|------------------|------------------|------------------|
| | 2021 | 2022 | 2023 |
| BEGINNING FUNDS AVAILABLE | 509,717 | 579,253 | 636,414 |
| REVENUE | | | |
| Investment Income | 90 | 1,500 | 1,000 |
| Misc | 0 | | |
| Specific Ownership | 45,300 | 50,000 | 50,000 |
| Property Taxes | 464,588 | 451,429 | 450,300 |
| Total Revenue | <u>509,978</u> | <u>502,929</u> | <u>501,300</u> |
| Total Transfers In | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Funds Available | <u>1,019,695</u> | <u>1,082,182</u> | <u>1,137,714</u> |
| EXPENDITURES | | | |
| Treasurer Fees | 6,971 | 9,000 | 9,000 |
| Accounting | 13,000 | 12,000 | 12,000 |
| Education | | 1,000 | 1,000 |
| Engineering | 0 | 2,500 | 2,500 |
| Legal | 2,012 | 1,000 | 2,500 |
| CWRPDA Debt Service | 303,012 | 304,821 | 303,013 |
| CWCB Debt Service | 115,447 | 115,447 | 115,447 |
| Total Expenditures | <u>440,442</u> | <u>445,768</u> | <u>445,460</u> |
| Total Exp. Requiring Appropriations | <u>440,442</u> | <u>445,768</u> | <u>445,460</u> |
| Ending Fund Balance | <u>579,253</u> | <u>636,414</u> | <u>692,254</u> |

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions

COLORADO WATER CONVERATION BOARD

LOAN REPAYMENT SCHEDULE

| | | |
|----------------------|--|--------------|
| Borrower | Plum Valley Heights Subdistrict | FINAL |
| Loan Contract Number | CT 2015-176 | |
| Principal | \$2,248,260.00 | |
| Interest Rate | 3.05% | |
| Frequency | Annual | |
| Term (In Years) | 30 | |
| First Payment Due | February 1, 2018 | |
| Payment Amount | \$115,447.15 | |

| Loan Payment No. | Annual Payment Due Date | Annual Payment Amount | Principal | Interest | Principal BALANCE |
|------------------|-------------------------|-----------------------|---------------|--------------|-------------------|
| | | | | | \$ 2,248,260.00 |
| 1 | 1-Feb-18 | \$115,447.15 | \$ 46,875.22 | \$ 68,571.93 | \$ 2,201,384.78 |
| 2 | 1-Feb-19 | \$115,447.15 | \$ 48,304.91 | \$ 67,142.24 | \$ 2,153,079.87 |
| 3 | 1-Feb-20 | \$115,447.15 | \$ 49,778.21 | \$ 65,668.94 | \$ 2,103,301.66 |
| 4 | 1-Feb-21 | \$115,447.15 | \$ 51,296.45 | \$ 64,150.70 | \$ 2,052,005.21 |
| 5 | 1-Feb-22 | \$115,447.15 | \$ 52,860.99 | \$ 62,586.16 | \$ 1,999,144.22 |
| 6 | 1-Feb-23 | \$115,447.15 | \$ 54,473.25 | \$ 60,973.90 | \$ 1,944,670.97 |
| 7 | 1-Feb-24 | \$115,447.15 | \$ 56,134.69 | \$ 59,312.46 | \$ 1,888,536.28 |
| 8 | 1-Feb-25 | \$115,447.15 | \$ 57,846.79 | \$ 57,600.36 | \$ 1,830,689.49 |
| 9 | 1-Feb-26 | \$115,447.15 | \$ 59,611.12 | \$ 55,836.03 | \$ 1,771,078.37 |
| 10 | 1-Feb-27 | \$115,447.15 | \$ 61,429.26 | \$ 54,017.89 | \$ 1,709,649.11 |
| 11 | 1-Feb-28 | \$115,447.15 | \$ 63,302.85 | \$ 52,144.30 | \$ 1,646,346.26 |
| 12 | 1-Feb-29 | \$115,447.15 | \$ 65,233.59 | \$ 50,213.56 | \$ 1,581,112.67 |
| 13 | 1-Feb-30 | \$115,447.15 | \$ 67,223.21 | \$ 48,223.94 | \$ 1,513,889.46 |
| 14 | 1-Feb-31 | \$115,447.15 | \$ 69,273.52 | \$ 46,173.63 | \$ 1,444,615.94 |
| 15 | 1-Feb-32 | \$115,447.15 | \$ 71,386.36 | \$ 44,060.79 | \$ 1,373,229.58 |
| 16 | 1-Feb-33 | \$115,447.15 | \$ 73,563.65 | \$ 41,883.50 | \$ 1,299,665.93 |
| 17 | 1-Feb-34 | \$115,447.15 | \$ 75,807.34 | \$ 39,639.81 | \$ 1,223,858.59 |
| 18 | 1-Feb-35 | \$115,447.15 | \$ 78,119.46 | \$ 37,327.69 | \$ 1,145,739.13 |
| 19 | 1-Feb-36 | \$115,447.15 | \$ 80,502.11 | \$ 34,945.04 | \$ 1,065,237.02 |
| 20 | 1-Feb-37 | \$115,447.15 | \$ 82,957.42 | \$ 32,489.73 | \$ 982,279.60 |
| 21 | 1-Feb-38 | \$115,447.15 | \$ 85,487.62 | \$ 29,959.53 | \$ 896,791.98 |
| 22 | 1-Feb-39 | \$115,447.15 | \$ 88,094.99 | \$ 27,352.16 | \$ 808,696.99 |
| 23 | 1-Feb-40 | \$115,447.15 | \$ 90,781.89 | \$ 24,665.26 | \$ 717,915.10 |
| 24 | 1-Feb-41 | \$115,447.15 | \$ 93,550.74 | \$ 21,896.41 | \$ 624,364.36 |
| 25 | 1-Feb-42 | \$115,447.15 | \$ 96,404.04 | \$ 19,043.11 | \$ 527,960.32 |
| 26 | 1-Feb-43 | \$115,447.15 | \$ 99,344.36 | \$ 16,102.79 | \$ 428,615.96 |
| 27 | 1-Feb-44 | \$115,447.15 | \$ 102,374.36 | \$ 13,072.79 | \$ 326,241.60 |
| 28 | 1-Feb-45 | \$115,447.15 | \$ 105,496.78 | \$ 9,950.37 | \$ 220,744.82 |
| 29 | 1-Feb-46 | \$115,447.15 | \$ 108,714.43 | \$ 6,732.72 | \$ 112,030.39 |
| 30 | 1-Feb-47 | \$115,447.32 | \$ 112,030.39 | \$ 3,416.96 | \$ - |

TOTALS

| | | | |
|----------------|----------------|----------------|--------|
| \$3,463,414.67 | \$2,248,260.00 | \$1,215,154.67 | \$0.00 |
|----------------|----------------|----------------|--------|

EXHIBIT C

PLUM VALLEY HEIGHTS SUBDISTRICT OF THE ROXBOROUGH WATER AND SANITATION DISTRICT

LOAN REPAYMENT SCHEDULE

| Date | Principal | Interest | Servicing Fee |
|--------------|-----------------------|---------------------|---------------------|
| 8/1/2015 | 6,735.00 | 12,335.56 | 12,997.61 |
| 2/1/2016 | 112,067.00 | 17,296.88 | 23,396.06 |
| 8/1/2016 | 112,067.00 | 17,296.88 | 23,396.06 |
| 2/1/2017 | 113,536.50 | 16,546.88 | 23,396.06 |
| 8/1/2017 | 113,536.50 | 16,546.88 | 23,396.06 |
| 2/1/2018 | 112,873.00 | 15,796.88 | 23,396.06 |
| 8/1/2018 | 112,873.00 | 15,796.88 | 23,396.06 |
| 2/1/2019 | 114,642.50 | 15,096.88 | 23,396.06 |
| 8/1/2019 | 114,642.50 | 15,096.88 | 23,396.06 |
| 2/1/2020 | 115,811.50 | 14,396.88 | 23,396.06 |
| 8/1/2020 | 115,811.50 | 14,396.88 | 23,396.06 |
| 2/1/2021 | 114,413.50 | 13,696.88 | 23,396.06 |
| 8/1/2021 | 114,413.50 | 13,696.88 | 23,396.06 |
| 2/1/2022 | 115,515.50 | 13,046.88 | 23,396.06 |
| 8/1/2022 | 115,515.50 | 13,046.88 | 23,396.06 |
| 2/1/2023 | 116,617.50 | 12,396.88 | 23,396.06 |
| 8/1/2023 | 116,617.50 | 12,396.88 | 23,396.06 |
| 2/1/2024 | 118,087.00 | 11,665.63 | 23,396.06 |
| 8/1/2024 | 118,087.00 | 11,665.63 | 23,396.06 |
| 2/1/2025 | 119,556.00 | 10,934.38 | 23,396.06 |
| 8/1/2025 | 119,556.00 | 10,934.38 | 23,396.06 |
| 2/1/2026 | 118,525.50 | 10,121.88 | 23,396.06 |
| 8/1/2026 | 118,525.50 | 10,121.88 | 23,396.06 |
| 2/1/2027 | 120,729.50 | 8,921.88 | 23,396.06 |
| 8/1/2027 | 120,729.50 | 8,921.88 | 23,396.06 |
| 2/1/2028 | 122,566.00 | 8,021.88 | 23,396.06 |
| 8/1/2028 | 122,566.00 | 8,021.88 | 23,396.06 |
| 2/1/2029 | 122,270.00 | 7,121.88 | 23,396.06 |
| 8/1/2029 | 122,270.00 | 7,121.88 | 23,396.06 |
| 2/1/2030 | 124,474.00 | 6,296.88 | 20,796.50 |
| 8/1/2030 | 124,474.00 | 6,296.88 | 20,796.50 |
| 2/1/2031 | 128,810.50 | 5,471.88 | 18,196.94 |
| 8/1/2031 | 128,810.50 | 5,471.88 | 18,196.94 |
| 2/1/2032 | 133,514.50 | 4,571.88 | 15,597.38 |
| 8/1/2032 | 133,514.50 | 4,571.88 | 15,597.38 |
| 2/1/2033 | 136,524.50 | 3,596.88 | 12,997.81 |
| 8/1/2033 | 136,524.50 | 3,596.88 | 12,997.81 |
| 2/1/2034 | 142,401.50 | 2,696.88 | 7,798.69 |
| 8/1/2034 | 142,401.50 | 2,696.88 | 7,798.69 |
| 2/1/2035 | 145,779.00 | 1,796.88 | 5,199.13 |
| 8/1/2035 | 145,779.00 | 1,796.88 | 5,199.13 |
| 2/1/2036 | 148,280.00 | 937.50 | 2,599.56 |
| 8/1/2036 | 148,280.00 | 937.50 | 2,599.56 |
| Total | \$5,199,125.00 | \$413,198.05 | \$834,459.51 |

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: **4546 - Plum Valley Heights Subdistrict of Roxborough 1**

IN DOUGLAS COUNTY ON 11/18/2022

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022 IN DOUGLAS COUNTY, COLORADO

| | |
|---|--------------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$22,128,870 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | \$22,073,550 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY: | \$0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$22,073,550 |
| 5. NEW CONSTRUCTION: ** | \$26,580 |
| 6. INCREASED PRODUCTION OF PRODUCING MINES: # | \$0 |
| 7. ANNEXATIONS/INCLUSIONS: | \$0 |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: # | \$0 |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.): | \$0 |
| 10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.): | \$0.00 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.): | \$529.58 |

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2022

| | |
|--|---------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @ | \$198,016,085 |
| ADDITIONS TO TAXABLE REAL PROPERTY: | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: † | \$382,541 |
| 3. ANNEXATIONS/INCLUSIONS: | \$0 |
| 4. INCREASED MINING PRODUCTION: % | \$0 |
| 5. PREVIOUSLY EXEMPT PROPERTY: | \$0 |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | \$0 |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: | \$0 |
| (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.) | |
| DELETIONS FROM TAXABLE REAL PROPERTY: | |
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | \$0 |
| 9. DISCONNECTIONS/EXCLUSION: | \$0 |
| 10. PREVIOUSLY TAXABLE PROPERTY: | \$0 |

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

† Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

| | |
|--|-----|
| IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: → | \$0 |
|--|-----|

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022

| | |
|--|----------|
| IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** | \$69,364 |
|--|----------|

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.

Type of Authority: Water & Sanitation

Tax Authority: 4546

| | Value Type | Real Actual Value | Personal Actual Value | Real Assessed Value | Personal Assessed Value |
|--|----------------------------|--------------------------|------------------------------|----------------------------|--------------------------------|
| Plum Valley Heights Subdistrict of Roxborough W&S | Commercial | 7,849,993 | 1,751,457 | 2,276,490 | 507,920 |
| Plum Valley Heights Subdistrict of Roxborough W&S | Exempt | 6,107,202 | 83,670 | 1,771,050 | 5,820 |
| Plum Valley Heights Subdistrict of Roxborough W&S | Industrial | 22,445,336 | 324,388 | 6,509,170 | 94,080 |
| Plum Valley Heights Subdistrict of Roxborough W&S | Residential | 157,465,907 | 0 | 10,943,830 | 0 |
| Plum Valley Heights Subdistrict of Roxborough W&S | State Assessed | 10,310 | 931,586 | 3,000 | 270,200 |
| Plum Valley Heights Subdistrict of Roxborough W&S | Vacant Land | 5,064,975 | 0 | 1,468,860 | 0 |
| | Total for Authority | 188,943,723 | 3,091,101 | 22,972,400 | 878,020 |

EXHIBIT B

DISTRICT AND SUBDISTRICT AUDITED FINANCIAL STATEMENTS

**ROXBOROUGH WATER AND
SANITATION DISTRICT
FINANCIAL STATEMENTS
DECEMBER 31, 2022**

TABLE OF C O N T E N T S

| | |
|---|-------|
| Independent Auditors' Report | ii-iv |
| Management's Discussion and Analysis | v-xii |
| BASIC FINANCIAL STATEMENTS | |
| Statement of Net Position | 1 |
| Statement of Activities | 2-3 |
| Balance Sheet - Governmental Funds | 4 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position | 5 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 6 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 7 |
| Statement of Net Position - Proprietary Funds | 8 |
| Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds | 9 |
| Statement of Cash Flows - Proprietary Funds | 10-11 |
| Notes to Financial Statements | 12-25 |
| REQUIRED SUPPLEMENTARY INFORMATION | |
| Budgetary Comparison Schedule - General Fund | 26 |
| Budgetary Comparison Schedule - Plum Valley Heights | 27 |
| Notes to Required Supplementary Information | 28 |
| INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES | |
| Budgetary Comparison Schedule - Capital Projects Fund | 29 |
| Budgetary Comparison Schedule - Debt Service Fund | 30 |
| Budgetary Comparison Schedule Non GAAP Basis - Water Fund | 31-32 |
| Budgetary Comparison Schedule Non GAAP Basis - Sewer Fund | 33-34 |



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Roxborough Water and Sanitation District
Littleton, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Roxborough Water & Sanitation District (District) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Adams Group, LLC

June 16, 2023
Denver, Colorado

Management's Discussion and Analysis

As management of the Roxborough Water & Sanitation District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2022.

Financial Highlights

- Assets exceeded liabilities and deferred inflows of resources by \$116,079,882 at the close of the fiscal year.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$9,876,097.
- Total net position increased by \$4,490,482.
- Total cash and investments increased by \$917,373 as compared to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,406,134 or 508.40% of total general fund expenditures.
- The district repaid \$1,324,362 of long term debt during the year ended December 31, 2022. The district anticipates repayment of an additional \$1,354,570 of long term debt in 2023.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the District that are principally to be supported by ad valorem taxes (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include the financing, construction of, and maintenance of public infrastructure improvements constructed or acquired by the District. The business-type activities of the District include water and sewer facilities construction, maintenance and operations.

The government-wide financial statements can be found on pages 1-3 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories – Governmental Funds and Proprietary Funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The governmental funds use the modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for each of the funds - general fund, debt service fund, capital projects fund, and plum valley heights fund - all of which are considered to be major funds except for the capital projects fund in 2022.

The basic governmental fund financial statements can be found on pages 4-6 of this report.

Proprietary Funds. The District maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for its water and sewer operations. These services are reported as business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, which are considered to be major funds of the District.

The proprietary fund financial statements can be found on pages 8-11 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 12-25 of this report.

Required Supplementary Information. The District adopts an annual appropriated budget for its general fund and the plum valley heights special revenue fund. The budgetary comparison statements for these funds have been provided as required supplementary information to demonstrate compliance with these budgets. The budget statements and notes are found on pages 26-28 of this report.

Other information. The report includes individual fund schedules. The budgetary comparison statement has been provided in this section for the debt service fund, the capital projects fund, the water fund, and the sewer fund to demonstrate compliance with these budgets. The budget statements are found on pages 29-34 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's assets exceeded liabilities and deferred inflows of resources by \$116,079,882 at the close of the most recent fiscal year.

Statement of Net Assets

| | 2022 | | | 2021 | | |
|--------------------------------------|-------------------------|--------------------------|----------------|-------------------------|--------------------------|----------------|
| | Governmental Activities | Business-type Activities | Total | Governmental Activities | Business-type Activities | Total |
| Current Assets | \$ 12,867,815 | \$ 25,198,773 | \$ 38,066,588 | \$ 12,210,798 | \$ 26,105,593 | \$ 38,316,391 |
| Capital Assets, net | 5,137,584 | 106,592,741 | 111,730,325 | 5,303,718 | 103,002,683 | 108,306,401 |
| Total Assets | 18,005,399 | 131,791,514 | 149,796,913 | 17,514,516 | 129,108,276 | 146,622,792 |
| Current Liabilities | 440,699 | 5,802,143 | 6,242,842 | 1,600,196 | 5,667,956 | 7,268,152 |
| Long-Term Obligations | 24,584,507 | 110,724 | 24,695,231 | 24,617,953 | 69,038 | 24,686,991 |
| Total Liabilities | 25,025,206 | 5,912,867 | 30,938,073 | 26,218,149 | 5,736,994 | 31,955,143 |
| Deferred Inflows of Resources | | | | | | |
| Unavailable revenue - property taxes | 2,778,958 | 0 | 2,778,958 | 3,078,249 | 0 | 3,078,249 |
| Net Investment in Capital Assets | 5,072,087 | 106,447,229 | 111,519,316 | 5,303,718 | 102,959,706 | 108,263,424 |
| Restricted Net Position | 7,214,732 | 0 | 7,214,732 | 6,648,646 | | 6,648,646 |
| Unrestricted Net Position | (22,085,584) | 19,431,418 | (2,654,166) | (23,734,246) | 20,411,576 | (3,322,670) |
| Total Net Position | \$ (9,798,765) | \$ 125,878,647 | \$ 116,079,882 | \$ (11,781,882) | \$ 123,371,282 | \$ 111,589,400 |

| | Statements of Activities | | | | | |
|---------------------------------|----------------------------|-----------------------------|-----------------------|----------------------------|-----------------------------|-----------------------|
| | 2022 | | | 2021 | | |
| | Governmental Activities | Business Type Activities | Total | Governmental Activities | Business Type Activities | Total |
| Revenue | | | | | | |
| Program Revenue | | | | | | |
| Charges for Services | | \$ 7,948,623 | \$ 7,948,623 | | \$ 8,487,824 | \$ 8,487,824 |
| Operating Grants | | \$ 122,458 | \$ 122,458 | | \$ 168,781 | \$ 168,781 |
| Contributions | | \$ 3,702,245 | \$ 3,702,245 | | \$ 3,811,822 | \$ 3,811,822 |
| General Revenue | | | | | | |
| Property Taxes | \$ 3,085,613 | | \$ 3,085,613 | \$ 2,644,182 | | \$ 2,644,182 |
| Specific Ownership Taxes | \$ 254,044 | | \$ 254,044 | \$ 245,788 | | \$ 245,788 |
| Investment Income | \$ 49,573 | \$ 299,334 | \$ 348,907 | \$ 1,168 | \$ 5,934 | \$ 7,102 |
| Other | \$ (34) | \$ 34 | \$ - | \$ 200,090 | | \$ 200,090 |
| Total Revenue | \$ 3,389,196 | \$ 12,072,694 | \$ 15,461,890 | \$ 3,091,228 | \$ 12,474,361 | \$ 15,565,589 |
| Expenses | | | | | | |
| General Government | \$ 635,907 | | \$ 635,907 | \$ 695,448 | | \$ 695,448 |
| Interest on Long-Term Debt | \$ 770,172 | | \$ 770,172 | \$ 853,954 | | \$ 853,954 |
| Water/Sewer Facilities | | \$ 9,565,329 | \$ 9,565,329 | | \$ 8,626,190 | \$ 8,626,190 |
| Total Expenses | \$ 1,406,079 | \$ 9,565,329 | \$ 10,971,408 | \$ 1,549,402 | \$ 8,626,190 | \$ 10,175,592 |
| Total Primary Government | \$ 1,983,117 | \$ 2,507,365 | \$ 4,490,482 | \$ 1,541,826 | \$ 3,848,171 | \$ 5,389,997 |
| Transfers | | | | \$ 571,427 | \$ (571,427) | \$ - |
| Change in Net Position | \$ 1,983,117 | \$ 2,507,371 | \$ 4,490,482 | \$ 2,113,253 | \$ 3,276,744 | \$ 5,389,997 |
| Net Position Beginning | \$ (11,781,882) | \$ 123,371,282 | \$ 111,589,400 | \$ (13,895,135) | \$ 120,094,538 | \$ 106,199,403 |
| Net Position Ending | \$ (9,798,765) | \$ 125,878,647 | \$ 116,079,882 | \$ (11,781,882) | \$ 123,371,282 | \$ 111,589,400 |

Governmental activities. Governmental activities increased the District's net position by \$1,983,117, several highlights are as follows:

- Property taxes increased by \$441,431 or 16.69% over the prior year due to increased assessed valuations.
- Specific ownership taxes increased by \$8,256 or 3.36%.
- Investment Income increased by \$48,405 due to higher interest rates.

Business-type activities. Business-type activities increased the District's net position by \$2,507,365. Some of the key elements of the change in net position are as follows:

- Service charges decreased from \$8,487,824 to \$7,948,623, a decrease of \$539,201 or 6.35%.
- Total operating expenses increased \$939,139 or 10.89% mainly due to increased personnel and operating costs.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$9,876,097 of which \$2,406,134 constitutes unassigned fund balance, which is available for spending at the government's discretion within the parameters established for each fund.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,406,134 out of a total fund balance of \$2,490,597. In compliance with an amendment to the State Constitution, Article X, Section 20, the district has established an emergency reserve representing 3% of qualifying expenditures. At December 31, 2022, the emergency reserve was \$58,255.

The debt service fund has a total fund balance of \$6,956,087 all of which is restricted for the repayment of long-term indebtedness. The long-term loans payable as of December 31, 2022 is \$24,577,561.

The capital projects fund has a total balance of \$1,084.

The Plum Valley Heights Fund has a total balance of \$428,329.

Proprietary funds. The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds at the end of the year amounted to \$19,431,418. The total net position of the District's proprietary funds as of December 31, 2022 are \$125,878,647. Other factors concerning the finances of this fund have already been addressed in the discussion of the District's business-type activities.

General Fund Budgetary Highlights

The District's total expenditures and transfers for 2022 did not exceed the final budgeted appropriation. The difference between the final budgeted revenue of \$1,912,187 and the actual revenue of \$1,941,826 was \$29,639. The difference between the final budgeted expenditures and transfers of \$1,281,000 and the actual expenditures of \$1,173,274 was \$107,726.

Capital Assets

The District has invested \$111,730,325 in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of December 31, 2022. This investment in capital assets includes water and sewer facilities, water rights and vehicles and equipment.

The capital assets are recorded at cost less estimated accumulated depreciation on the financial statement. The district believes the book value of these capital assets is substantially less than the actual replacement costs of these assets. The district uses an estimated replacement cost when calculating and setting their customer billing rates in an effort to provide reserves for future asset replacements. The district maintains a responsibility to provide water and sewer services to their customers and these reserves are necessary to be able to repair and replace these capital assets as needed. The District's engineering consultants estimate the replacement costs for the water system currently would be approximately \$285,000,000 and the estimated replacement costs for the sewer system currently would be \$275,000,000. Should these reserves be insufficient to provide these repairs or replacements, additional rate increases or borrowings would be required by the district.

Additional information on the District's capital assets can be found in note 4 beginning on page 19 of this report.

Long-Term Debt

At the end of the current fiscal year, the District had total outstanding governmental long-term debt of \$24,584,507 as follows:

1. \$15,181,911 was related to the Water Enterprise Fund acquisition of a permanent water supply from the City of Aurora. This loan is through the Colorado Water Conservation Board. Payments are annually through December 2044 at an interest rate of 3.25%
2. \$2,340,000 is related to the District's 2005 Clean Water Revenue Bonds through the Colorado Water Resources and Power Development Authority (2005 CWRPDA) which are due annually through 2026 and pay interest rates of 3.35% semi-annually on February 1 and August 1.
3. Accrued compensated absences accounts for \$6,946 of this amount.
4. \$3,596,271 was related to the 2015 CWRPDA Loan. This loan provided financing for the Plum Valley Heights Subdistrict and was used to secure financing for a pipeline to allow customers to discontinue their use of private wells and non-renewable water. This debt is repaid through mill levies assessed to property owners within the subdistrict. Payments are semi-annually through August 2036 at an interest rate of 2.07%.
5. \$1,999,415 was related to a CWCB Loan related to the purchase of renewable Raw Water for the Subdistrict. Payments are annually through February 2047 at an interest rate of 3.05%.
6. \$1,390,291 was related to a CWCB Loan related to the Ravenna Development Water Infrastructure. Payments are due annually through February 2047 at an interest rate of 3.15%.

The Business Type activities had long-term debt of \$110,724 related to compensated absences.

Additional information on the District's long-term debt can be found in note 5 beginning on page 21 of this report.

Next Year's Budgets and Rates

Government funds:

Property Taxes. The District's assessed value is projected to decrease slightly (1%) in 2023, which will result in a decrease in General Fund property tax revenues. The General Fund Mill Levy was maintained at the current 6.208, and revenues not needed for operations will be transferred to reserves. For 2022, the Debt Service Mill Levy will be reduced from 2.9 mills to 2.0 to avoid generating more revenue than necessary for debt service payments.

General Fund. The General Fund budget is projected to increase 33% from \$581,000 to \$773,500 for 2023, but the 2023 budget is 17% higher than 2022 actual expenses. While many general fund expenses will remain unchanged or be reduced slightly for 2023, several large increases in three areas are driving the overall increase. Payroll, taxes, and benefits will increase 18% reflecting the need to provide staff with cost-of-living salary increases. Capital Outlays will increase 84% over 2022 budget, but 2023 expenses are projected to be 50% less than 2022 actual expenses. The 2022 Capital Outlays budget was impacted by unplanned replacement costs for various equipment; for 2023 we have developed an inventory of equipment and a detailed plan for replacement. Finally, the Repairs and Maintenance budget is increasing 100% in 2023 driven by the need to upgrade computer hardware and cybersecurity systems.

Debt Service Fund. As stated previously, the debt service mill levy will be reduced.

Capital Projects Fund. The Capital Projects Fund will be used to track projects either partially or entirely funded by Dominion under the terms of the Wastewater Conveyance Agreement or the Water Treatment Agreement; the replacement of the Rampart Pump Station with Ravenna bond proceeds per the Ravenna Inclusion Agreement; and by the Valley View Christian Church for the water line needed to connect the church to the Subdistrict's system.

Proprietary funds:

Water Fund. Water Fund revenues are not projected to change in 2023 except for one-time capital contributions to the water fund from the Ravenna bond proceeds and Valley View Christian Church. Funds from Ravenna and the Church will be transferred from the Water Fund to the Capital Projects Fund for projects. Water Fund expenses are projected to decrease 2%, because the large capital projects planned will be accounted for in the Capital Projects budget. This is despite a 9.5% increase in payroll expenses, a 5.6% increase in utilities, and a 28% increase in water costs (4% Aurora rate increase + Aurora drought surcharge + increased use due to hotter, drier summers).

Sewer Fund. Sewer Fund revenues are projected to increase 21% in 2023 because of a 5% increase in Littleton treatment charges that required a 5% increase in sewer charges, and continued growth in Dominion wastewater conveyance fees. Sewer Fund expenses are expected to increase 11% for 2023 versus 2022 because of increased payroll expenses, increased engineering fees due to the number of projects planned, and increased service fees to Littleton.

Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District

The District develops a separate budget for the Subdistrict, but we are only using the Debt Service Fund to track the outstanding debt to the Colorado Water Resources and Power Development Authority and the Colorado Water Conservation Board, for NWDC Project construction costs, water, and miscellaneous expenses such as legal and engineering related only to the Subdistrict. All administrative and operating expenses for the Subdistrict are included in the District's budget.

We are limited to collecting no more than \$450,000 in property taxes to service the debt in the Subdistrict Debt Service Fund. The Assessed Value for the Subdistrict did not change significantly for 2023, so no adjustment to the Debt Service Mill Levy will be needed.

BASIC FINANCIAL STATEMENTS

ROXBOROUGH WATER AND SANITATION DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2022

| | <u>Governmental Activities</u> | <u>Business- Type Activities</u> | <u>Total</u> |
|--|------------------------------------|--|-----------------------|
| <u>Assets</u> | | | |
| Cash and investments | \$ 8,676,080 | \$ 24,015,955 | \$ 32,692,035 |
| Restricted cash | 1,386,569 | 0 | 1,386,569 |
| Accounts receivable | 0 | 1,104,194 | 1,104,194 |
| Property taxes receivable | 2,778,958 | 0 | 2,778,958 |
| Prepaid expenses | 26,208 | 78,624 | 104,832 |
| Capital assets not being depreciated | 18,440 | 37,106,442 | 37,124,882 |
| Capital assets, net of accumulated depreciation | <u>5,119,144</u> | <u>69,486,299</u> | <u>74,605,443</u> |
| Total Assets | <u>18,005,399</u> | <u>131,791,514</u> | <u>149,796,913</u> |
| <u>Liabilities</u> | | | |
| Accounts payable | 147,263 | 520,002 | 667,265 |
| Unearned revenue | 0 | 5,136,629 | 5,136,629 |
| Accrued interest payable | 227,939 | 0 | 227,939 |
| Retainage payable | 65,497 | 145,512 | 211,009 |
| Noncurrent liabilities | | | |
| Due within one year | 1,355,728 | 18,450 | 1,374,178 |
| Due in more than one year | <u>23,228,779</u> | <u>92,274</u> | <u>23,321,053</u> |
| Total Liabilities | <u>25,025,206</u> | <u>5,912,867</u> | <u>30,938,073</u> |
| <u>Deferred Inflows of Resources</u> | | | |
| Unavailable revenue-property taxes | <u>2,778,958</u> | <u>0</u> | <u>2,778,958</u> |
| <u>Net Position</u> | | | |
| Net investment in capital assets | 5,072,087 | 106,447,229 | 111,519,316 |
| Restricted | 7,214,732 | 0 | 7,214,732 |
| Unrestricted | <u>(22,085,584)</u> | <u>19,431,418</u> | <u>(2,654,166)</u> |
| Total Net Position (Deficit) | <u>\$ (9,798,765)</u> | <u>\$ 125,878,647</u> | <u>\$ 116,079,882</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Program Revenues</u> | | | |
|---------------------------------|-------------------------|-------------------------------------|---|---|
| | <u>Expenses</u> | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| <u>Function/Programs</u> | | | | |
| <u>Governmental Activities</u> | | | | |
| General Government | \$ 635,907 | \$ 0 | \$ 0 | \$ 0 |
| Interest on long-term debt | 770,172 | 0 | 0 | 0 |
| Total Governmental Activities | <u>1,406,079</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>Business-Type Activities</u> | | | | |
| Water | 6,509,033 | 5,538,701 | 92,060 | 2,576,479 |
| Sewer | 3,056,296 | 2,409,922 | 30,398 | 1,125,766 |
| Total Business-Type Activities | <u>9,565,329</u> | <u>7,948,623</u> | <u>122,458</u> | <u>3,702,245</u> |
| Total Primary Government | <u>\$ 10,971,408</u> | <u>\$ 7,948,623</u> | <u>\$ 122,458</u> | <u>\$ 3,702,245</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Net (Expense) Revenues and Changes in Net Position | | |
|---|--|---------------------------------|-----------------------|
| | Primary Government | | |
| | Govern- mental Activities | Business- Type Activities | Total |
| <u>Function/Programs</u> | | | |
| Governmental Activities | | | |
| General Government | \$ (635,907) | \$ 0 | \$ (635,907) |
| Interest on long-term debt | (770,172) | 0 | (770,172) |
| Total Governmental Activities | <u>(1,406,079)</u> | <u>0</u> | <u>(1,406,079)</u> |
| Business-Type Activities | | | |
| Water | 0 | 1,698,207 | 1,698,207 |
| Sewer | 0 | 509,790 | 509,790 |
| Total Business-Type Activities | <u>0</u> | <u>2,207,997</u> | <u>2,207,997</u> |
| Total Primary Government | <u>(1,406,079)</u> | <u>2,207,997</u> | <u>801,918</u> |
| General Revenues | | | |
| Property taxes | 3,085,613 | 0 | 3,085,613 |
| Specific ownership taxes | 254,044 | 0 | 254,044 |
| Investment income | 49,573 | 299,334 | 348,907 |
| Transfers | (34) | 34 | 0 |
| Total General Revenues and Transfers | <u>3,389,196</u> | <u>299,368</u> | <u>3,688,564</u> |
| Change in Net Position | 1,983,117 | 2,507,365 | 4,490,482 |
| Net Position (Deficit), Beginning | <u>(11,781,882)</u> | <u>123,371,282</u> | <u>111,589,400</u> |
| Net Position (Deficit), Ending | <u>\$ (9,798,765)</u> | <u>\$ 125,878,647</u> | <u>\$ 116,079,882</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

| | General | Debt Service | Plum Valley Heights | (Nonmajor) Capital Projects | Total |
|--|---------------------|---------------------|------------------------|-----------------------------------|----------------------|
| <u>Assets</u> | | | | | |
| Cash and investments | \$ 2,483,811 | \$ 5,569,518 | \$ 430,437 | \$ 192,314 | \$ 8,676,080 |
| Restricted cash | 0 | 1,386,569 | 0 | 0 | 1,386,569 |
| Property taxes receivable | 1,761,246 | 567,412 | 450,300 | 0 | 2,778,958 |
| Prepaid items | 26,208 | 0 | 0 | 0 | 26,208 |
| | | | | | |
| Total Assets | <u>\$ 4,271,265</u> | <u>\$ 7,523,499</u> | <u>\$ 880,737</u> | <u>\$ 192,314</u> | <u>\$ 12,867,815</u> |
| <u>Liabilities</u> | | | | | |
| Accounts payable | \$ 19,422 | \$ 0 | \$ 2,108 | \$ 125,733 | \$ 147,263 |
| Retainage payable | 0 | 0 | 0 | 65,497 | 65,497 |
| | | | | | |
| Total Liabilities | <u>19,422</u> | <u>0</u> | <u>2,108</u> | <u>191,230</u> | <u>212,760</u> |
| <u>Deferred Inflows of Resources</u> | | | | | |
| Unavailable revenue- property taxes | <u>1,761,246</u> | <u>567,412</u> | <u>450,300</u> | <u>0</u> | <u>2,778,958</u> |
| <u>Fund Balances</u> | | | | | |
| Nonspendable: | | | | | |
| Prepaid items | 26,208 | 0 | 0 | 0 | 26,208 |
| Restricted for: | | | | | |
| Emergencies | 58,255 | 0 | 0 | 0 | 58,255 |
| Debt service | 0 | 6,956,087 | 0 | 0 | 6,956,087 |
| Special revenue fund | 0 | 0 | 428,329 | 0 | 428,329 |
| Assigned - capital projects | 0 | 0 | 0 | 1,084 | 1,084 |
| Unassigned | 2,406,134 | 0 | 0 | 0 | 2,406,134 |
| | | | | | |
| Total Fund Balances | <u>2,490,597</u> | <u>6,956,087</u> | <u>428,329</u> | <u>1,084</u> | <u>9,876,097</u> |
| | | | | | |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 4,271,265</u> | <u>\$ 7,523,499</u> | <u>\$ 880,737</u> | <u>\$ 192,314</u> | <u>\$ 12,867,815</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Amounts reported for governmental activities in the statement of net position are different because:

| | |
|--|-----------------------|
| Total fund balances of governmental funds | \$ 9,876,097 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This amount is net of accumulated depreciation of \$1,139,156. | 5,137,584 |
| Accrued interest payable. | (227,939) |
| Long-term liabilities, including related items, including loans payable (\$24,507,618), loan premium (\$69,943) accrued compensated absences (\$6,946), are not due and payable in the current year and, therefore, are not reported in the funds. | <u>(24,584,507)</u> |
| Total Net Position (Deficit) of Governmental Activities | <u>\$ (9,798,765)</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>General</u> | <u>Debt Service</u> | <u>Plum Valley Heights</u> | <u>(Nonmajor) Capital Projects</u> | <u>Total</u> |
|---|---------------------|-------------------------|--------------------------------|--|---------------------|
| <u>Revenues</u> | | | | | |
| Property taxes | \$ 1,764,610 | \$ 869,798 | \$ 451,205 | \$ 0 | \$ 3,085,613 |
| Specific ownership taxes | 142,651 | 70,314 | 41,079 | 0 | 254,044 |
| Investment income | 34,565 | 10,378 | 4,630 | 0 | 49,573 |
| Total Revenues | 1,941,826 | 950,490 | 496,914 | 0 | 3,389,230 |
| <u>Expenditures</u> | | | | | |
| General government | 473,274 | 13,041 | 20,357 | 0 | 506,672 |
| Debt Service | | | | | |
| Principal | 0 | 1,040,471 | 283,891 | 0 | 1,324,362 |
| Interest and fiscal charges | 0 | 644,558 | 135,471 | 0 | 780,029 |
| Total Expenditures | 473,274 | 1,698,070 | 439,719 | 0 | 2,611,063 |
| Revenues Over (Under) Expenditures | 1,468,552 | (747,580) | 57,195 | 0 | 778,167 |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Transfers In | 0 | 1,242,198 | 0 | 1,140,000 | 2,382,198 |
| Transfers Out | (700,000) | 0 | 0 | (1,682,232) | (2,382,232) |
| Total Other Financing Sources (Uses) | (700,000) | 1,242,198 | 0 | (542,232) | (34) |
| Net Change in Fund Balances | 768,552 | 494,618 | 57,195 | (542,232) | 778,133 |
| Fund Balances, Beginning | 1,722,045 | 6,461,469 | 371,134 | 543,316 | 9,097,964 |
| Fund Balances, Ending | \$ 2,490,597 | \$ 6,956,087 | \$ 428,329 | \$ 1,084 | \$ 9,876,097 |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Amounts reported for governmental activities in the statements of activities are different because:

| | |
|---|---------------------|
| Net change in fund balances, total governmental funds | \$ 778,133 |
| Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This amount represents depreciation expense in excess of capital outlay in the current year. | (166,134) |
| This amount is the net effect of these differences in the treatment of long-term debt and related items: amortization of loan premium \$23,133, change in accrued interest payable \$9,857, and change in compensated absences \$13,766. | 46,756 |
| Payments of principal are expenditures in the governmental funds, but they change long-term liabilities in the statement of net position and do not affect the statement of activities. | <u>1,324,362</u> |
| Change in Net Position of Governmental Activities | <u>\$ 1,983,117</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

| | <u>Water</u> | <u>Sewer</u> | <u>Total</u> |
|--------------------------------------|----------------------|----------------------|-----------------------|
| <u>Assets</u> | | | |
| <u>Current Assets</u> | | | |
| Cash and investments | \$ 11,409,895 | \$ 12,606,060 | \$ 24,015,955 |
| Accounts receivable | 626,268 | 477,926 | 1,104,194 |
| Prepaid expenses | 52,416 | 26,208 | 78,624 |
| Total Current Assets | <u>12,088,579</u> | <u>13,110,194</u> | <u>25,198,773</u> |
| <u>Noncurrent Assets</u> | | | |
| Capital assets not being depreciated | 31,820,446 | 5,285,996 | 37,106,442 |
| Capital assets, net | <u>56,801,748</u> | <u>12,684,551</u> | <u>69,486,299</u> |
| Total Noncurrent Assets | <u>88,622,194</u> | <u>17,970,547</u> | <u>106,592,741</u> |
| Total Assets | <u>100,710,773</u> | <u>31,080,741</u> | <u>131,791,514</u> |
| <u>Liabilities</u> | | | |
| <u>Current liabilities</u> | | | |
| Accounts payable | 402,497 | 117,505 | 520,002 |
| Unearned revenue | 3,211,597 | 1,925,032 | 5,136,629 |
| Retainage payable | <u>145,512</u> | <u>0</u> | <u>145,512</u> |
| Total Current Liabilities | <u>3,759,606</u> | <u>2,042,537</u> | <u>5,802,143</u> |
| <u>Noncurrent Liabilities</u> | | | |
| Compensated absences - current | 12,398 | 6,052 | 18,450 |
| Compensated absences - long-term | <u>62,017</u> | <u>30,257</u> | <u>92,274</u> |
| Total Noncurrent Liabilities | <u>74,415</u> | <u>36,309</u> | <u>110,724</u> |
| Total Liabilities | <u>3,834,021</u> | <u>2,078,846</u> | <u>5,912,867</u> |
| <u>Net Position</u> | | | |
| Net investment in capital assets | 88,476,682 | 17,970,547 | 106,447,229 |
| Unrestricted | <u>8,400,070</u> | <u>11,031,348</u> | <u>19,431,418</u> |
| Total Net Position | <u>\$ 96,876,752</u> | <u>\$ 29,001,895</u> | <u>\$ 125,878,647</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Water</u> | <u>Sewer</u> | <u>Total</u> |
|---|----------------------|----------------------|-----------------------|
| <u>Operating Revenues</u> | | | |
| Charges for services | \$ 4,833,993 | \$ 2,234,945 | \$ 7,068,938 |
| Dominion capital lease O-line | 0 | 200,000 | 200,000 |
| Permit fees | 23,925 | 23,925 | 47,850 |
| Outside treatment | 553,928 | 0 | 553,928 |
| Inclusion fees | 68,557 | 0 | 68,557 |
| Miscellaneous income (loss) | 58,298 | (48,948) | 9,350 |
| | <u>5,538,701</u> | <u>2,409,922</u> | <u>7,948,623</u> |
| <u>Operating Expenses</u> | | | |
| Personnel services | 992,619 | 438,297 | 1,430,916 |
| Operations | 3,661,903 | 1,803,127 | 5,465,030 |
| Depreciation | 1,854,511 | 814,872 | 2,669,383 |
| | <u>6,509,033</u> | <u>3,056,296</u> | <u>9,565,329</u> |
| Operating Income (Loss) | <u>(970,332)</u> | <u>(646,374)</u> | <u>(1,616,706)</u> |
| <u>Nonoperating Revenues</u> | | | |
| Investment Income | 150,539 | 148,795 | 299,334 |
| Availability Charges | 92,060 | 30,398 | 122,458 |
| | <u>242,599</u> | <u>179,193</u> | <u>421,792</u> |
| Net Income (Loss) Before Transfers and Capital Contributions | (727,733) | (467,181) | (1,194,914) |
| Transfer in | 5,632,977 | 202,905 | 5,835,882 |
| Transfer out | (5,805,260) | (30,588) | (5,835,848) |
| Capital contributions | 2,576,479 | 1,125,766 | 3,702,245 |
| | <u>1,676,463</u> | <u>830,902</u> | <u>2,507,365</u> |
| Change in Net Position | | | |
| Net Position, beginning | <u>95,200,289</u> | <u>28,170,993</u> | <u>123,371,282</u> |
| Net Position, ending | <u>\$ 96,876,752</u> | <u>\$ 29,001,895</u> | <u>\$ 125,878,647</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Water</u> | <u>Sewer</u> | <u>Total</u> |
|--|----------------------|----------------------|----------------------|
| <u>Cash Flows from Operating Activities</u> | | | |
| Cash received from customers | \$ 5,830,172 | \$ 3,117,350 | \$ 8,947,522 |
| Cash payments to suppliers | (3,506,107) | (1,749,386) | (5,255,493) |
| Cash payments to employees | (974,126) | (428,914) | (1,403,040) |
| Other cash received (paid) | 58,298 | (48,948) | 9,350 |
| | <u>1,408,237</u> | <u>890,102</u> | <u>2,298,339</u> |
| <u>Cash Flows from Noncapital Financing Activities</u> | | | |
| Transfers from other funds | 5,632,977 | 202,905 | 5,835,882 |
| Transfers to other funds | (5,805,260) | (30,588) | (5,835,848) |
| Net Cash Provided by (Used in) Noncapital Financing Activities | <u>(172,283)</u> | <u>172,317</u> | <u>34</u> |
| <u>Cash Flows from Capital and Related Financing Activities</u> | | | |
| Acquisition and construction of capital assets | (5,686,072) | (573,369) | (6,259,441) |
| Capital charges received | 2,576,479 | 1,050,798 | 3,627,277 |
| | <u>(3,109,593)</u> | <u>477,429</u> | <u>(2,632,164)</u> |
| <u>Cash Flows from Investing Activities</u> | | | |
| Investment income | 150,539 | 148,795 | 299,334 |
| | <u>150,539</u> | <u>148,795</u> | <u>299,334</u> |
| Net Cash Provided by Investing Activities | <u>150,539</u> | <u>148,795</u> | <u>299,334</u> |
| Net increase in cash and investments | (1,723,100) | 1,688,643 | (34,457) |
| Cash and investments, beginning | <u>13,132,995</u> | <u>10,917,417</u> | <u>24,050,412</u> |
| Cash and investments, ending | <u>\$ 11,409,895</u> | <u>\$ 12,606,060</u> | <u>\$ 24,015,955</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Water</u> | <u>Sewer</u> | <u>Total</u> |
|---|---------------------|-------------------|---------------------|
| Reconciliation of Operating Loss to Net Cash Provided by Operating Activities | | | |
| Operating gain (loss) | \$ (970,332) | \$ (646,374) | \$ (1,616,706) |
| Adjustments to reconcile operating loss to net cash provided by operating activities | | | |
| Depreciation | 1,854,511 | 814,872 | 2,669,383 |
| Receipt of system availability charges | 92,060 | 30,398 | 122,458 |
| Changes in assets and liabilities | | | |
| Accounts receivable | 257,709 | 628,082 | 885,791 |
| Prepaid Expenses | (8,956) | (4,472) | (13,428) |
| Accounts payable | 164,752 | 58,213 | 222,965 |
| Accrued compensated absences | 18,493 | 9,383 | 27,876 |
| Net Cash Provided by Operating Activities | <u>\$ 1,408,237</u> | <u>\$ 890,102</u> | <u>\$ 2,298,339</u> |

The accompanying notes are an integral part of these financial statements.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Roxborough Water and Sanitation District (the “District”), previously the Roxborough Park Metropolitan District, was formed on January 12, 1972, to provide water, sewer and fire protection services within its boundaries. Effective July 1, 1999, the District’s fire protection services were merged into the West Metro Fire Protection District (the “WMFP”). By intergovernmental agreement, the District conveyed ownership of the fire station and all fire equipment to the WMFP, along with property tax revenues related to these services. The District is governed by a five-member Board of Directors elected by the residents.

The accounting policies of the District conform to generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

Reporting Entity

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are reported as part of the District. In addition, any legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the District. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the District.

Based upon the application of this criteria, the District reports Plum Valley Heights as a blended component unit. Colorado State Statutes allow for the formation of subdistricts. Under the statute, subdistricts are independent quasi-municipal corporations, for whom the District’s Board of Directors constitutes the Plum Valley Heights Board of Directors. In addition, management of the District is also management of the subdistrict. Plum Valley Heights does not prepare separate financial statements.

As a result of an election in November 2016, the water activities of Ravenna Metropolitan District were absorbed by the District. This has resulted in additional properties and customers receiving water services from the District.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are reported as general revenues rather than as program revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Separate financial statements are provided for governmental and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the District reports the following major governmental funds.

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *Debt Service Fund* accounts for resources accumulated for, and payments made on, long-term obligations of the District.

The *Plum Valley Heights Fund* accounts for the activity in the subdistrict of Plum Valley Heights. This fund is reported as a special revenue fund, as the revenues derived from this subdistrict are used to support its operations.

Additionally, the District reports the following major proprietary funds.

The *Water Fund* accounts for the activities associated with the provision of water services.

The *Sewer Fund* accounts for the activities associated with the provision of sewer services.

Cash and Cash Equivalents – For purposes of the statement of cash flows, cash and cash equivalents are defined as investments with original maturities of three months or less. Pooled cash and investments are categorized as cash equivalents.

Receivables – All receivables are reported at their gross values and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At December 31, 2022, the District expects to collect all accounts receivable balances.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balances

Capital Assets – Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and for the proprietary funds in the fund financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at cost or estimated cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives.

| | |
|-------------------------------------|-------------|
| Collection and Distribution Systems | 30-60 years |
| Vehicles and Equipment | 3-15 years |

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

Accordingly, the item, *unavailable revenue*, is reported for property taxes levied in the current year but collected for use in the next fiscal period.

Compensated Absences – Employees of the District are allowed to accumulate unused vacation and sick time. Employees are limited to 960 hours of accrued sick time and are not allowed to carry more than 100 hours of accrued vacation to the following year. Upon termination of employment from the District, an employee will be compensated for all accrued vacation time and 50% of accrued sick time. Accrued sick time in excess of 960 hours at year end is paid out at 50%. A liability for these compensated absences is accrued when incurred in the government-wide and proprietary fund financial statements.

Long-Term Debt – In the government-wide financial statements, and for the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Premiums and discounts are deferred and amortized over the life of the debt using the straight-line method.

In the fund financial statements, governmental funds recognize debt premiums and discounts during the current year. The face amount of debt issued is reported as other financing sources.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Nonspendable – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – Amounts that can be used only for specific purposes, determined by a formal action of the Board of Directors. The Board of Directors is the highest level of decision-making body for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.

Assigned – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the Board of Directors may assign fund balances for specific purposes.

Unassigned – All other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balance is available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

Net Position

Net position in the government-wide Statement of Net Position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulators of other governments. At December 31, 2022, the net position of the governmental activities is a deficit of \$9,978,765. This is the result of the governmental funds being responsible for the repayment of loans that were used to finance construction of capital assets which were then transferred to the enterprise funds. As revenues are collected for debt service payments management believes the net position will become positive.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Property taxes attach as an enforceable lien on property on January 1 and are levied the following January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits them to the District on a monthly basis.

Current Year GASB Pronouncement

For the year ended December 31, 2022, the District adopted the provision of GASB Statement No. 87, *Leases*, which is effective for periods beginning after June 15, 2021. GASB Statement No. 87 establishes a single model for lease accounting based on the foundational principle that the leases are refinancings of the right to use the underlying asset. For the year ended December 31, 2022, the implementation of the new standard had no material impact on the District.

NOTE 2 - CASH AND INVESTMENTS

At December 31, 2022, cash and investments consisted of the following:

| | |
|-----------------|----------------------|
| Deposits | \$ 13,314,582 |
| Restricted cash | 1,386,569 |
| Investments | 19,377,453 |
| Total | <u>\$ 34,078,604</u> |

Restricted cash is comprised of debt service reserves required by the lender.

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

At December 31, 2022, the District had bank deposits, with a book balance of \$14,701,151, comprised of \$250,000 which was covered by FDIC insurance and the remaining covered by PDPA.

Investments

The District is required to comply with State statutes which specify instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest. State statutes do not address custodial risk.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

The District's investment policy follows State statutes and allows the following investments.

- Obligations of the United States, certain U.S. Agency securities, and the World Bank
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

Interest Rate Risk – State statutes limit investments in U.S. Agency securities to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

The District has interest rate risk related only to the investment in the Colorado Local Government Liquid Asset Trust (COLOTRUST). At December 31, 2022, COLOTRUST'S Plus+ portfolio had a weighted average maturity of 44 days to reset and 71 days to maturity.

Credit Risk – State statutes limit investments in U.S. Agency securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs). State statutes also limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO.

Local Government Investment Pools – At December 31, 2022, the District had \$19,377,453 invested in COLOTRUST, an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating COLOTRUST. COLOTRUST operate similarly to a money market fund and each share is equal in value to \$1.00. Investments of COLOTRUST are limited to those allowed by State statutes.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. COLOTRUST are rated AAAm by Standard and Poor's and is measured at net asset value (NAV). There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

NOTE 3 - INTERFUND BALANCES AND TRANSACTIONS

| <u>Transfer out</u> | <u>Amount</u> | <u>Transfer in</u> | <u>Amount</u> |
|-----------------------|---------------------|-----------------------|---------------------|
| General Fund | \$ 700,000 | Debt Service Fund | \$ 1,242,198 |
| Capital Projects Fund | 1,682,232 | Capital Projects Fund | 1,140,000 |
| Water Fund | 5,805,260 | Water Fund | 5,632,977 |
| Sewer Fund | 30,588 | Sewer Fund | 202,905 |
| | <u>\$ 8,218,080</u> | | <u>\$ 8,218,080</u> |

Availability charges collected by the Water and Sewer Funds are required by State statute to be used for debt service and are transferred to the Debt Service Fund. The transfers from the General Fund to the Water and Sewer Funds were determined during the budget process. Transfers from the Debt Service Fund to Plum Valley Heights relate to debt service payments.

NOTE 4 - CAPITAL ASSETS

| | <u>Balance</u> <u>12/31/21</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>12/31/22</u> |
|---|-----------------------------------|---------------------|------------------|-----------------------------------|
| <u>Governmental-Type Activities</u> | | | | |
| Capital assets, not being depreciated: | | | | |
| Easements | \$ 18,440 | \$ 0 | \$ 0 | \$ 18,440 |
| Capital assets, being depreciated: | | | | |
| Infrastructure | 6,074,963 | 0 | 0 | 6,074,963 |
| Furniture and equipment | 131,432 | 51,905 | 0 | 183,337 |
| Total being depreciated | 6,206,395 | 51,905 | 0 | 6,258,300 |
| Less accumulated depreciation: | (921,117) | (218,039) | 0 | (1,139,156) |
| Total being depreciated, net | 5,285,278 | (166,134) | 0 | 5,119,144 |
| Governmental-Type Activities Capital Assets, Net | <u>\$ 5,303,718</u> | <u>\$ (166,134)</u> | <u>\$ 0</u> | <u>\$ 5,137,584</u> |

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 - CAPITAL ASSETS (CONTINUED)

| | <u>Balance</u> 12/31/21 | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> 12/31/22 |
|---|----------------------------|---------------------|------------------|----------------------------|
| <u>Business-Type Activities</u> | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 204,511 | \$ 0 | \$ 0 | \$ 204,511 |
| Tap fees | 29,883,804 | 0 | 0 | 29,883,804 |
| Water rights | 4,252,360 | 0 | 0 | 4,252,360 |
| Construction in progress | 0 | 2,765,767 | 0 | 2,765,767 |
| Total not being depreciated | <u>34,340,675</u> | <u>2,765,767</u> | <u>0</u> | <u>37,106,442</u> |
| Capital assets, being depreciated: | | | | |
| Land improvements | 5,514 | 0 | 0 | 5,514 |
| Collections and distribution | 100,126,202 | 3,386,047 | 0 | 103,512,249 |
| Vehicles and equipment | 696,730 | 107,627 | 0 | 804,357 |
| Total being depreciated | <u>100,828,446</u> | <u>3,493,674</u> | <u>0</u> | <u>104,322,120</u> |
| Less accumulated depreciation: | | | | |
| Land improvements | (5,514) | 0 | 0 | (5,514) |
| Collections and distribution | (31,521,462) | (2,627,451) | 0 | (34,148,913) |
| Vehicles and equipment | (639,462) | (41,932) | 0 | (681,394) |
| Total accumulated depreciation | <u>(32,166,438)</u> | <u>(2,669,383)</u> | <u>0</u> | <u>(34,835,821)</u> |
| Total capital assets, being depreciated, net | <u>68,662,008</u> | <u>824,291</u> | <u>0</u> | <u>69,486,299</u> |
| Business-Type Activities Capital Assets, Net | <u>\$ 103,002,683</u> | <u>\$ 3,590,058</u> | <u>\$ 0</u> | <u>\$ 106,592,741</u> |

Depreciation expense was charged to programs of the District as follows during the year ended December 31, 2022:

| | |
|--------------------------|---------------------|
| Governmental activities | |
| General Government | <u>\$ 218,039</u> |
| Business-type activities | |
| Water | \$ 1,854,511 |
| Sewer | 814,872 |
| Total | <u>\$ 2,669,383</u> |

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 - LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions of the governmental activities for the year ended December 31, 2022:

| | <u>Balance</u> 12/31/21 | <u>Additions</u> | <u>Payments</u> | <u>Balance</u> 12/31/22 | <u>Due Within</u> <u>One Year</u> |
|-------------------------------|----------------------------|------------------|---------------------|----------------------------|--------------------------------------|
| Governmental-Type Activities: | | | | | |
| 2005 CWRPDA Loan | \$ 2,875,000 | \$ 0 | \$ 535,000 | \$ 2,340,000 | \$ 545,000 |
| Loan Premium | 93,076 | 0 | 23,133 | 69,943 | 0 |
| 2014 CWCB Loan | 15,649,931 | 0 | 468,020 | 15,181,911 | 483,231 |
| 2015 CWCB-Raw Water Loan | 2,052,005 | 0 | 52,860 | 1,999,145 | 54,473 |
| 2015 CWRPDA Loan | 3,827,302 | 0 | 231,031 | 3,596,271 | 233,235 |
| 2019 CWCB Loan | 1,427,742 | 0 | 37,451 | 1,390,291 | 38,631 |
| Compensated absences | 20,712 | 5,616 | 19,382 | 6,946 | 1,158 |
| Total | <u>\$ 25,945,768</u> | <u>\$ 5,616</u> | <u>\$ 1,366,877</u> | <u>\$ 24,584,507</u> | <u>\$ 1,355,728</u> |

Compensated absences are expected to be liquidated primarily with revenues of the General Fund.

2005 Clean Water Revenue Bonds were issued by the Colorado Water Resources and Power Development Authority and proceeds were loaned to the District to finance a sewer pipeline and two pump stations. Principal and interest payments are due semi-annually on February 1 and August 1, through 2026. Interest accrues at the rate of 3.35% per annum.

2014 Colorado Water Conservation Board Note was entered into in November 2014. The loan proceeds were used to purchase a permanent water supply from the City of Aurora by the enterprise funds. Principal and interest payments are due annually on December 1 through 2044. Interest accrues at the rate of 3.25% per annum.

During 2015, the District entered into a loan agreement with the Colorado Water Conservation Board for the Raw Water Supply Project to obtain a renewable subdistrict water supply and allow customers to discontinue their current use of private wells and non-renewable water. The total loan amount is \$2,248,260 payable over 30 years at an interest rate of 3.05%. Interest and loan fees are due when the project is completed. The loan matures February 2047.

2015 Clean Water Revenue Bonds were issued by the Colorado Water Resources and Power Development Authority and proceeds were loaned to the District to finance the Plum Valley Heights water pipeline. Principal and interest payments are due semi-annually on February 1 and August 1, through 2036. Interest accrues at the rate of 2.07% per annum.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 - LONG-TERM DEBT (CONTINUED)

2019 Colorado Water Conservation Board Note was entered into in January 2019. The loan proceeds received were used for the Ravenna development interconnect. Principal and interest payments are due annually on February 1 through 2047. Interest accrues at the rate of 3.15% per annum.

Future payments for the outstanding debt, which has a maturity schedule, are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|----------------------|---------------------|----------------------|
| 2023 | \$ 1,354,570 | \$ 811,127 | \$ 2,165,697 |
| 2024 | 1,391,092 | 716,811 | 2,107,903 |
| 2025 | 1,448,217 | 720,276 | 2,168,493 |
| 2026 | 1,510,953 | 653,396 | 2,164,349 |
| 2027 | 895,802 | 584,810 | 1,480,612 |
| 2028-2032 | 4,869,465 | 2,536,357 | 7,405,822 |
| 2033-2037 | 5,363,557 | 1,726,182 | 7,089,739 |
| 2038-2042 | 4,947,697 | 924,877 | 5,872,574 |
| 2043-2047 | 2,726,265 | 170,146 | 2,896,411 |
| Total | <u>\$ 24,507,618</u> | <u>\$ 8,843,982</u> | <u>\$ 33,351,600</u> |

Business-Type Activities

Following are the long-term debt transactions of the business-type activities for the year ended December 31, 2022:

| <u>Business-Type Activities</u> | <u>Balance 12/31/21</u> | <u>Additions</u> | <u>Payments</u> | <u>Balance 12/31/22</u> | <u>Due Within One Year</u> |
|---------------------------------|-----------------------------|------------------|-----------------|-----------------------------|--------------------------------|
| Accrued compensated absences | \$ 82,848 | \$ 77,830 | \$ 49,954 | \$ 110,724 | \$ 18,450 |

NOTE 6 - PUBLIC ENTITY RISK POOL

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 6 - PUBLIC ENTITY RISK POOL (CONTINUED)

In the event aggregated losses incurred by the Pool exceeded amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

The purposes of the Pool are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to property and to persons or property which might result in claims being made against members of the Pool, their employees and officers.

It is the intent of the members of the Pool to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of the Pool against stated liability of loss, to the limit of the financial resources of the Pool.

It is also the intent of the members to have the Pool provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its members. The Pool is a separate legal entity and the District does not approve budgets nor does it have the ability to significantly affect the operations of the Pool. Settled claims have not exceeded coverage in any of the past three fiscal years.

NOTE 7 - RETIREMENT COMMITMENTS

Profit Sharing Plan

The District has established a profit sharing pension plan on behalf of all District employees. The contribution requirements of plan participants and the District are established and may be amended by the Board of Directors. All employees are eligible to participate in the plan upon employment, and become fully vested after five years of service. Forfeitures are used to offset current contributions. There were no forfeitures during 2022.

The District may contribute up to 15% of each participating employee's compensation. During the year ended December 31, 2022, the District contributed \$148,137 to the Plan. All contributions are deposited to the individual employee's self-directed accounts and the District has no further fiduciary responsibility for the plan assets.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 - RETIREMENT COMMITMENTS (CONTINUED)

Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all District employees and permits them to defer a portion of their salary until future years. All plan investments are held in trust for the exclusive benefit of the employees. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Amendment") which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the Amendment.

In November 2001, the District electors allowed the District to spend the full proceeds of any taxes, fees, charges, grants, rates, tolls or any other revenues collected in fiscal year 2000 and in all subsequent fiscal years without regard to any limitation contained in the Amendment. In November 2014, the Subdistrict electors also allowed Plum Valley Heights to spend the full proceeds of any taxes, fees, charges, grants, rates, tolls or any other revenues collected in fiscal year 2014 and in all subsequent fiscal years without regard to any limitation contained in the Amendment.

The District has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2022, the emergency reserve of \$58,255 was reported as a restriction of fund balances and in the government wide statements.

Other Commitments and Contingencies

The District has entered into a contract to purchase sewer treatment services from the City of Littleton, Colorado. This City is treating all wastewater of the District. The contract is irrevocable by the District as long as bonds to finance the City's treatment plant are still outstanding.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 8 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Other Commitments and Contingencies (continued)

During 2020, the District entered into an intergovernmental agreement (IGA) with Dominion Water and Sanitation District (Dominion) for the temporary use of and acquisition of capacity in the District's wastewater conveyance system. Pursuant to the IGA, Dominion is required to pay the District (1) an annual payment of \$150,000 and up to \$400,000 dependent on the number of Dominion equivalent residential unit (EQR) connections, (2) an operations fee of twenty dollars per month per EQR connection, and (3) an annual capital improvements fee of \$1,000,000 through the year ended December 31, 2021 and an additional \$1,000,000 depending on the number of EQR connections, up to a total of \$5,000,000. During the year ended December 31, 2022, Dominion paid the District \$1,000,000 in capital improvements fees. Total capital improvement payments received since inception of the IGA through December 31, 2022 was \$2,000,000 and is included in unearned revenue until the District incurs construction costs pursuant to the IGA. During the year ended December 31, 2022, the District recognized Dominion revenue of \$200,000, which is included in accounts receivable as of December 31, 2022. The IGA is effective until December 31, 2028.

NOTE 9 - SUBSEQUENT EVENT

Effective in March 2023, the District entered into an agreement with Castle Rock Water Enterprise for the sale of easement, water rights, storage capacity, and other infrastructure for a purchase price of \$2,273,000.

REQUIRED SUPPLEMENTARY INFORMATION

ROXBOROUGH WATER AND SANITATION DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---------------------------------------|---------------------------------|---------------------|------------------------------------|
| <u>Revenues</u> | | | |
| Property taxes | \$ 1,790,437 | \$ 1,764,610 | \$ (25,827) |
| Specific ownership taxes | 120,000 | 142,651 | 22,651 |
| Investment income | 750 | 34,565 | 33,815 |
| Miscellaneous income | 1,000 | 0 | (1,000) |
| Total Revenues | <u>1,912,187</u> | <u>1,941,826</u> | <u>29,639</u> |
| <u>Expenditures</u> | | | |
| Salaries and benefits | 110,000 | 113,118 | (3,118) |
| Accounting and audit | 60,000 | 59,982 | 18 |
| Contract labor | 20,000 | 5,310 | 14,690 |
| Director fees | 8,000 | 8,000 | 0 |
| Election Expense | 30,000 | 27,303 | 2,697 |
| Education | 30,000 | 12,301 | 17,699 |
| Engineering | 50,000 | 32,839 | 17,161 |
| Insurance | 30,000 | 24,104 | 5,896 |
| Legal fees | 30,000 | 20,727 | 9,273 |
| Miscellaneous | 20,000 | 12,808 | 7,192 |
| Office expense | 40,000 | 42,259 | (2,259) |
| Permits, dues and subscriptions | 5,000 | 25,775 | (20,775) |
| Rent | 5,000 | 2,694 | 2,306 |
| Repairs and maintenance | 100,000 | 2,259 | 97,741 |
| Treasurer fees | 20,000 | 26,457 | (6,457) |
| Utilities | 5,000 | 1,756 | 3,244 |
| Vehicle expense | 6,000 | 2,149 | 3,851 |
| Bank Charges | 0 | 1,528 | (1,528) |
| Capital outlay | 12,000 | 51,905 | (39,905) |
| Total Expenditures | <u>581,000</u> | <u>473,274</u> | <u>107,726</u> |
| Excess of Revenues Over Expenditures | 1,331,187 | 1,468,552 | 137,365 |
| <u>Other Financing Sources (Uses)</u> | | | |
| Transfers out | <u>(700,000)</u> | <u>(700,000)</u> | <u>0</u> |
| Net Change in Fund Balances | <u>\$ 631,187</u> | 768,552 | <u>\$ 137,365</u> |
| Fund Balances, Beginning | | <u>1,722,045</u> | |
| Fund Balances, Ending | | <u>\$ 2,490,597</u> | |

See the accompanying Independent Auditors' Report.

ROXBOROUGH WATER AND SANITATION DISTRICT
BUDGETARY COMPARISON SCHEDULE
PLUM VALLEY HEIGHTS
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|--|-------------------|---|
| <u>Revenues</u> | | | |
| Property taxes | \$ 451,429 | \$ 451,205 | \$ (224) |
| Specific ownership taxes | 50,000 | 41,079 | (8,921) |
| Investment income | 85 | 4,630 | 4,545 |
| | | | |
| Total Revenues | <u>501,514</u> | <u>496,914</u> | <u>(4,600)</u> |
| <u>Expenditures</u> | | | |
| Accounting and audit | 12,000 | 12,000 | 0 |
| Bank service charges | 0 | 300 | (300) |
| Education | 1,000 | 0 | 1,000 |
| Engineering | 2,500 | 0 | 2,500 |
| Legal fees | 1,000 | 1,296 | (296) |
| Treasurer fees | 9,000 | 6,761 | 2,239 |
| Debt Service | | | |
| Principal | 283,891 | 283,891 | 0 |
| Interest | 135,473 | 135,471 | 2 |
| | | | |
| Total Expenditures | <u>444,864</u> | <u>439,719</u> | <u>5,145</u> |
| | | | |
| Excess of Revenues Over (Under) Expenditures | <u>56,650</u> | <u>57,195</u> | <u>545</u> |
| | | | |
| Net Change in Fund Balances | <u>\$ 56,650</u> | 57,195 | <u>\$ 545</u> |
| | | | |
| Fund Balances, Beginning | | <u>371,134</u> | |
| | | | |
| Fund Balances, Ending | | <u>\$ 428,329</u> | |

See the accompanying Independent Auditors' Report.

ROXBOROUGH WATER AND SANITATION DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2022

NOTE 1 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets

Budgets are legally adopted for all funds of the District. Budgets for the General and Debt Service Funds, Capital Projects, and Plum Valley Heights are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary funds are presented on a non-GAAP budgetary basis. Capital outlay and debt principal are budgeted as expenditures, and depreciation is not budgeted.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- In October, District management submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted in November to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- District management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board of Directors.
- All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ROXBOROUGH WATER AND SANITATION DISTRICT
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------------------------------|--|--------------------|---|
| <u>Revenues</u> | | | |
| System capacity improvements | \$ 0 | \$ 0 | \$ 0 |
| Total Revenues | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>Expenditures</u> | | | |
| Capital Outlay | <u>2,360,000</u> | <u>0</u> | <u>2,360,000</u> |
| Total Expenditures | <u>2,360,000</u> | <u>0</u> | <u>2,360,000</u> |
| Excess of Revenues Over Expenditures | <u>(2,360,000)</u> | <u>0</u> | <u>2,360,000</u> |
| <u>Other Financing Sources (Uses)</u> | | | |
| Transfers in | 2,360,000 | 1,140,000 | (1,220,000) |
| Transfers out | 0 | <u>(1,682,232)</u> | <u>(1,682,232)</u> |
| Total other financing sources | <u>2,360,000</u> | <u>(542,232)</u> | <u>(2,902,232)</u> |
| Net Change in Fund Balances | <u>\$ 0</u> | <u>(542,232)</u> | <u>\$ (542,232)</u> |
| Fund Balances, Beginning | | <u>543,316</u> | |
| Fund Balances, Ending | | <u>\$ 1,084</u> | |

See the accompanying Independent Auditors' Report.

ROXBOROUGH WATER AND SANITATION DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|--|---------------------|---|
| <u>Revenues</u> | | | |
| Property taxes | \$ 836,383 | \$ 869,798 | \$ 33,415 |
| Specific ownership taxes | 80,000 | 70,314 | (9,686) |
| Investment income | <u>30,000</u> | <u>10,378</u> | <u>(19,622)</u> |
| Total Revenues | <u>946,383</u> | <u>950,490</u> | <u>4,107</u> |
| <u>Expenditures</u> | | | |
| Treasurers fees | 15,000 | 13,041 | 1,959 |
| Debt Service | | | |
| Principal | 949,973 | 1,040,471 | (90,498) |
| Interest | <u>795,678</u> | <u>644,558</u> | <u>151,120</u> |
| Total Expenditures | <u>1,760,651</u> | <u>1,698,070</u> | <u>62,581</u> |
| Excess of Revenues Over (Under) Expenditures | (814,268) | (747,580) | 66,688 |
| <u>Other Financing Sources (Uses)</u> | | | |
| Transfers in | <u>1,252,000</u> | <u>1,242,198</u> | <u>(9,802)</u> |
| Total other financing sources (uses) | 1,252,000 | 1,242,198 | (9,802) |
| Net Change in Fund Balances | <u>\$ 437,732</u> | 494,618 | <u>\$ 56,886</u> |
| Fund Balances, Beginning | | <u>6,461,469</u> | |
| Fund Balances, Ending | | <u>\$ 6,956,087</u> | |

See the accompanying Independent Auditors' Report.

ROXBOROUGH WATER AND SANITATION DISTRICT
BUDGETARY COMPARISON SCHEDULE NON GAAP BASIS
WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---------------------------------|--------------------|------------------------------------|
| <u>Revenues</u> | | | |
| Charges for services | \$ 3,200,000 | \$ 4,833,993 | \$ 1,633,993 |
| Permit fees | 1,200 | 23,925 | 22,725 |
| Other water sales | 330,000 | 553,928 | 223,928 |
| Miscellaneous | 77,200 | 58,298 | (18,902) |
| Capital charges | 1,116,808 | 1,261,830 | 145,022 |
| Dominion distribution operations | 600,000 | 806,148 | 206,148 |
| Inclusion fees | 100,000 | 68,557 | (31,443) |
| Reimbursements | 20,000 | 86,756 | 66,756 |
| System development charges | 525,000 | 421,745 | (103,255) |
| Investment income | 50,000 | 150,539 | 100,539 |
| Availability charges | 120,000 | 92,060 | (27,940) |
| Transfers in | 500,000 | 5,632,977 | 5,132,977 |
| Total Revenues | <u>6,640,208</u> | <u>13,990,756</u> | <u>7,350,548</u> |
| <u>Expenditures</u> | | | |
| Accounting and audit | 65,000 | 59,371 | 5,629 |
| Permits, dues and subscriptions | 8,000 | 10,559 | (2,559) |
| Contract labor | 55,000 | 37,501 | 17,499 |
| Education | 30,000 | 18,639 | 11,361 |
| Engineering | 250,000 | 260,238 | (10,238) |
| GPS/GIS | 25,000 | 25,048 | (48) |
| Insurance | 40,000 | 48,208 | (8,208) |
| Lab and test fees | 29,000 | 14,074 | 14,926 |
| Legal fees | 75,000 | 33,462 | 41,538 |
| Meter expense | 125,000 | 225,841 | (100,841) |
| Miscellaneous | 20,000 | 7,661 | 12,339 |
| Office expense | 40,000 | 24,201 | 15,799 |
| Operating supplies | 124,000 | 153,873 | (29,873) |
| Payroll, taxes and benefits | 990,000 | 992,619 | (2,619) |
| Repairs and maintenance | 450,000 | 420,128 | 29,872 |
| Safety Equipment | 7,000 | 0 | 7,000 |
| Utilities | 265,000 | 342,809 | (77,809) |
| Vehicle expense | 22,000 | 6,409 | 15,591 |
| Dominion | 80,000 | 0 | 80,000 |
| Water cost | 1,630,000 | 1,968,038 | (338,038) |
| Capital outlay | 5,685,000 | 5,670,531 | 14,469 |
| Conservation rebates | 2,500 | 1,225 | 1,275 |
| Water rights capital | 100,000 | 4,618 | 95,382 |
| Transfers out | 2,956,808 | 5,805,260 | (2,848,452) |
| Total Expenditures | <u>13,074,308</u> | <u>16,130,313</u> | <u>(3,056,005)</u> |
| Change in Net Position, Budgetary Basis | <u>\$ (6,434,100)</u> | <u>(2,139,557)</u> | <u>\$ 10,406,553</u> |

See the accompanying Independent Auditors' Report.

ROXBOROUGH WATER AND SANITATION DISTRICT
BUDGETARY COMPARISON SCHEDULE NON GAAP BASIS
WATER FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

| | |
|------------------------------------|----------------------|
| Reconciliation to GAAP Basis | |
| Capital outlay | \$ 5,670,531 |
| Depreciation | <u>(1,854,511)</u> |
| Change in net position, GAAP Basis | 1,676,463 |
| Net position, beginning | <u>95,200,289</u> |
| Net position, ending | <u>\$ 96,876,752</u> |

See the accompanying Independent Auditors' Report.

ROXBOROUGH WATER AND SANITATION DISTRICT
BUDGETARY COMPARISON SCHEDULE NON GAAP BASIS
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---------------------------------|------------------|------------------------------------|
| <u>Revenues</u> | | | |
| Charges for services | \$ 1,600,000 | \$ 1,891,619 | \$ 291,619 |
| Charges for services-Lockheed | | | |
| Martin Agreement | 300,000 | 343,326 | 43,326 |
| Dominion capital lease O-line | 200,000 | 200,000 | - |
| Dominion sewer conveyance | 0 | 387,940 | 387,940 |
| Permit fees | 5,000 | 23,925 | 18,925 |
| Miscellaneous income (loss) | 30,000 | (48,948) | (78,948) |
| Investment income | 50,000 | 148,795 | 98,795 |
| Availability charges | 40,000 | 30,398 | (9,602) |
| System development charges | 50,000 | 334,873 | 284,873 |
| Dominion sewer services | 290,000 | 245,237 | (44,763) |
| Capital - surcharges | 100,000 | 157,716 | 57,716 |
| Transfer in | 200,000 | 202,905 | 2,905 |
| Total Revenues | <u>2,865,000</u> | <u>3,917,786</u> | <u>1,052,786</u> |
| <u>Expenditures</u> | | | |
| Accounting and audit | 30,000 | 30,875 | (875) |
| Contract labor | 40,000 | 36,523 | 3,477 |
| Dominion expense | 50,000 | 0 | 50,000 |
| Education | 30,000 | 18,280 | 11,720 |
| Engineering | 100,000 | 86,354 | 13,646 |
| GPS/GIS | 50,000 | 19,660 | 30,340 |
| Insurance | 28,000 | 24,110 | 3,890 |
| Lab and test fees | 1,000 | 918 | 82 |
| Legal fees | 35,000 | 11,969 | 23,031 |
| Miscellaneous | 8,000 | 5,853 | 2,147 |
| Littleton service fees | 950,000 | 1,062,878 | (112,878) |
| Office expense | 20,000 | 13,673 | 6,327 |
| Operating supplies | 80,000 | 129,452 | (49,452) |
| Permits, dues and subscriptions | 3,000 | 2,763 | 237 |
| Payroll, taxes and benefits | 325,000 | 438,297 | (113,297) |
| Repairs and maintenance | 200,000 | 252,249 | (52,249) |
| Safety Equipment | 2,000 | 0 | 2,000 |
| Utilities | 110,000 | 104,530 | 5,470 |
| Vehicle expense | 8,000 | 3,040 | 4,960 |
| Capital outlay | 2,000,000 | 573,369 | 1,426,631 |
| Transfer out | 600,000 | 30,588 | 569,412 |
| Total Expenditures | <u>4,670,000</u> | <u>2,845,381</u> | <u>1,824,619</u> |
| Change in Net Position, Budgetary Basis | <u>\$ (1,805,000)</u> | 1,072,405 | <u>\$ 2,877,405</u> |

See the accompanying Independent Auditors' Report.

ROXBOROUGH WATER AND SANITATION DISTRICT
BUDGETARY COMPARISON SCHEDULE NON GAAP BASIS
SEWER FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

| | |
|------------------------------------|----------------------|
| Reconciliation to GAAP Basis | |
| Capital outlay | \$ 573,369 |
| Depreciation | <u>(814,872)</u> |
| Change in net position, GAAP Basis | 830,902 |
| Net position, beginning | <u>28,170,993</u> |
| Net position, ending | <u>\$ 29,001,895</u> |

See the accompanying Independent Auditors' Report.