

**NORTHWEST LAKEWOOD
SANITATION DISTRICT
Jefferson County, Colorado**

**FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

Table of Contents

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	I
MANAGEMENT'S DISCUSSION AND ANALYSIS	IV
BASIC FINANCIAL STATEMENTS	
Statements of Net Position	1
Statements of Revenues, Expenses and Changes in Net Position	2
Statements of Cash Flows	3
Notes to Financial Statements	4
SUPPLEMENTAL INFORMATION	
Schedule of Revenues, Expenditures and Changes in Funds Available – Budget and Actual (Budgetary Basis) – General Fund	16
Schedule of Revenues, Expenditures and Changes in Funds Available – Budget and Actual (Budgetary Basis) – Enterprise Fund	17
Schedule of Expenditures Compared to Budget (Budgetary Basis) - Enterprise Fund	18
Reconciliation of Budgetary Basis to Statement of Revenues, Expenses and Changes in Net Position	19
OTHER INFORMATION	
Summary of Assessed Valuation, Mill Levy and Property Taxes Collected	20



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Independent Auditor's Report

Board of Directors
Northwest Lakewood
Sanitation District
Jefferson County, Colorado

Opinions

We have audited the accompanying financial statements of Northwest Lakewood Sanitation District (District) as of and for the years ended December 31, 2023 and 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 financial position of Northwest Lakewood Sanitation District, as of December 31, 2023 and 2022, and the changes in its financial position and its cash flows for the years 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility 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 on pages IV through VII be presented to supplement the basic financial statements. Such information, 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.

Supplemental Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information is listed in the table of contents and does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
September 25, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

**NORTHWEST LAKEWOOD SANITATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023 and 2022**

As management of the Northwest Lakewood Sanitation 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 years ended December 31, 2023 and 2022.

Financial Highlights

- The assets of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$24,553,584 of this amount; \$11,751,753 represents unrestricted net position that is available to meet the government's ongoing obligations to citizens.
- The District's total net position increased by \$2,610,884.
- The District continued to maintain a capital improvement plan in 2023 which included replacement of certain lines and point repairs.

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 the following: 1) statement of net position, 2) statement of revenues, expenses, and changes in net position, 3) statement of cash flows, and 4) notes to the financial statements. This report also contains other supplemental and other information in addition to the basic financial statements.

Financial Statements: The statement of net position represents information of all the District's assets, and liabilities and deferred inflows of resources, with the difference between them 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 revenues, expenses, and changes in net position 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 the 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 (e.g. uncollected property taxes).

Since the District follows enterprise fund accounting and reporting requirements, there is a statement of cash flows included as part of the basic financial statements.

The District's basic financial statements can be found on pages 1 through 3 of this report. The notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to financial statements can be found on pages 4 through 15 of this report.

Supplemental and other information also accompanies the basic financial statements on pages 16-20.

Condensed Statement of Net Position

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Current and Other Assets	\$ 14,074,329	\$ 11,707,177	\$ 10,535,052
Capital Assets	<u>12,731,331</u>	<u>12,070,957</u>	<u>11,056,427</u>
Total Assets	<u>26,805,660</u>	<u>23,778,134</u>	<u>21,591,479</u>
Current Liabilities	<u>501,374</u>	<u>158,944</u>	<u>473,916</u>
Total Liabilities	<u>501,374</u>	<u>158,944</u>	<u>473,916</u>
Deferred Inflows of Resources	<u>1,750,702</u>	<u>1,676,490</u>	<u>1,537,826</u>
Net Position:			
Net Investment in capital assets	12,731,331	12,070,957	11,056,427
Restricted	70,500	52,800	48,400
Unrestricted	<u>11,751,753</u>	<u>9,818,943</u>	<u>8,474,910</u>
Total Net Position	<u>\$ 24,553,584</u>	<u>\$ 21,942,700</u>	<u>\$ 19,579,737</u>

At the end of the 2023, 2022 and 2021, the District shows a positive balance in total net position in the amount of \$24,553,584, \$21,942,700 and \$19,579,737, respectively. The positive balance is the amount by which total assets exceed liabilities and deferred inflows of resources. The restriction of net position is for emergencies as mandated by State law. Additional information on this restriction can be found in Note 9 in the Notes to Financial Statements. The District's total net position increased by \$2,610,884 from 2022 to 2023 and \$2,362,963 from 2021 to 2022. Approximately 52% of its total net position are invested in capital assets for 2023. Current and other assets are comprised of cash and cash equivalents, investments and various receivables of the District. Total cash and cash equivalents increased from 2022 to 2023 by \$6,180,965 or 168.2% as a result of maturity of investments of \$8,000,000 and net income for 2023 of \$2,610,884 and offset by purchase of investments of \$3,889,375. The District has no long-term debt. The growth in capital assets between 2021 through 2023 can be attributed to slip-lining of portions of the sewer lines and removal and replacement of certain lines owned by the District.

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Condensed Statement of Activities and Changes in Net Position

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Operating Revenue:			
Service Fees	\$ 2,695,693	\$ 2,653,293	\$ 2,719,133
Total Operating Revenue	<u>2,695,693</u>	<u>2,653,293</u>	<u>2,719,133</u>
Expenses			
General and Administrative	308,086	328,620	259,069
Operations	2,138,649	1,961,195	2,252,020
Total Operating Expenses	<u>2,446,735</u>	<u>2,289,815</u>	<u>2,511,089</u>
Gain (loss) from Operations	<u>248,958</u>	<u>363,478</u>	<u>208,044</u>
Non-Operating Revenues (Expenses)			
Taxes	1,796,935	1,633,608	1,596,063
Net investment Income	551,318	123,502	15,019
County Treasurer's Collection Fees	(25,454)	(23,235)	(22,449)
Sewer connection fees paid to MWRD	(143,973)	(108,330)	(82,885)
Total Non-Operating Revenues(Expenses)	<u>2,178,826</u>	<u>1,625,545</u>	<u>1,505,748</u>
Capital contributions	<u>183,100</u>	<u>373,940</u>	<u>165,920</u>
Change in Net Position	2,610,884	2,362,963	1,879,712
Net Position - Beginning of the Year	<u>21,942,700</u>	<u>19,579,737</u>	<u>17,700,025</u>
Net Position - End of the Year	<u><u>\$ 24,553,584</u></u>	<u><u>\$ 21,942,700</u></u>	<u><u>\$ 19,579,737</u></u>

Revenues

In 2023, property and specific ownership taxes provided 34% of the District's total revenue while service and maintenance fees provided 52% of total revenue. The most significant balance in services fees category is the facilities renovation and service fee which decreased by \$37,038 or 1.6% from 2022 to 2023.

In 2022, property and specific ownership taxes provided 34% of the District's total revenue while service and maintenance fees provided 55% of total revenue. The most significant balance in services fees category is the facilities renovation and service fee which increased by \$89,202 from 2021 to 2022 as a result of an increase in customers billed.

Expenses

The District's operating expenses increased from 2022 to 2023 by \$156,920. Of this increase, \$177,454 relates to sewer operations. This increase is primarily due to a increase in the contract operator service of \$123,173 for lines cleaned in 2023. There are no other significant changes in general and administrative expenses.

The District's operating expenses decreased from 2021 to 2022 by \$221,274. Of this decrease, \$290,825 relates to sewer operations. This decrease is primarily due to a

decrease in the treatment charges the District remits to Metro Water Recovery of \$279,728. There are no other significant changes in general and administrative expenses.

Capital Assets The District's net investment in capital assets as of December 31, 2023, 2022 and 2021 amounted to \$12,731,331, \$12,070,957 and \$11,056,427 (net of accumulated depreciation). The majority of this net investment in capital assets is in the sewer lines. Over the past few years the District's capital improvement plan has replaced sections of the system resulting in increases in its investment in capital assets. The treatment plant was closed September 3, 2004. Treatment services are now provided by the Metro Wastewater Reclamation District. Additional information on the District's capital assets can be found in Note 4 in the notes to financial statements.

Long-Term Obligations On November 4, 2008, a majority of the District's voters approved an increase in the District's debt up to \$5,000,000 with a repayment of up to \$10,250,000, but without an increase in the District's taxes, for the financing of scheduled and emergency repair, replacement and improvement of the sanitary sewer system. As of December 31, 2023, 2022 and 2021, the District had not issued debt.

Economic Factors and Next Year's Budgets and Rates The 2024 budget as adopted contains no significant changes in service levels provided. The total assessed valuation increased from 2023 collection year to 2024 collection year by \$40,829,009. The District continues to budget for sewer maintenance and rehabilitation and construction annually which is offset by the facility renovation and service fees assessed by the District. The District is anticipating capital-related expenses of \$2,136,675 in 2024.

Requests for Information This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District Manager, Northwest Lakewood Sanitation District, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228-1898.

BASIC FINANCIAL STATEMENTS

NORTHWEST LAKEWOOD SANITATION DISTRICT
STATEMENTS OF NET POSITION
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 9,855,807	\$ 3,674,842
Investments	1,987,584	5,882,540
Due from County Treasurer	7,488	6,782
Accounts receivable	433,645	438,360
Property taxes receivable	1,750,702	1,676,490
Prepaid expenses	39,103	28,163
Total current assets	<u>14,074,329</u>	<u>11,707,177</u>
CAPITAL ASSETS		
Assets not being depreciated:		
Land	7,584	7,584
Construction in process	1,138,423	66,469
	<u>1,146,007</u>	<u>74,053</u>
Assets being depreciated:		
Sewer lines	17,767,158	17,767,158
	<u>17,767,158</u>	<u>17,767,158</u>
Less accumulated depreciation	<u>(6,181,834)</u>	<u>(5,770,254)</u>
	11,585,324	11,996,904
Total capital assets, net	<u>12,731,331</u>	<u>12,070,957</u>
TOTAL ASSETS	<u><u>\$ 26,805,660</u></u>	<u><u>\$ 23,778,134</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
CURRENT LIABILITIES		
Accounts and contracts payable	\$ 418,148	\$ 127,277
Retainage payable	46,552	-
Prepaid customer accounts	24,717	19,087
Expense reimbursement deposits	11,957	12,580
Total current liabilities	<u>501,374</u>	<u>158,944</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred property taxes	1,750,702	1,676,490
Total deferred inflows of resources	<u>1,750,702</u>	<u>1,676,490</u>
NET POSITION		
Net investment in capital assets	12,731,331	12,070,957
Restricted for emergencies	70,500	52,800
Unrestricted	11,751,753	9,818,943
Total net position	<u>24,553,584</u>	<u>21,942,700</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$ 26,805,660</u></u>	<u><u>\$ 23,778,134</u></u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
OPERATING REVENUE		
Facilities renovation and service fees	\$ 2,276,104	\$ 2,313,142
Service fees	314,097	331,011
Grease trap inspections	11,105	9,140
Reimbursements	94,287	-
Other income	100	-
Total operating revenue	<u>2,695,693</u>	<u>2,653,293</u>
OPERATING EXPENSES		
Sewer operations	1,727,069	1,594,688
General and administrative	308,086	328,620
Depreciation	411,580	366,507
Total operating expenses	<u>2,446,735</u>	<u>2,289,815</u>
NET GAIN FROM OPERATIONS	<u>248,958</u>	<u>363,478</u>
NONOPERATING REVENUES (EXPENSES)		
Property taxes	1,676,056	1,527,504
Specific ownership taxes	120,879	106,104
Net investment income	551,318	123,502
County treasurer's collection fees	(25,454)	(23,235)
Sewer connection fee paid to MWR	(143,973)	(108,330)
Total nonoperating revenues (expenses)	<u>2,178,826</u>	<u>1,625,545</u>
CAPITAL CONTRIBUTIONS		
Sewer connection fee - District	39,127	265,610
Sewer connection fee - MWR	143,973	108,330
Total capital contributions	<u>183,100</u>	<u>373,940</u>
CHANGE IN NET POSITION	2,610,884	2,362,963
NET POSITION - BEGINNING OF YEAR	<u>21,942,700</u>	<u>19,579,737</u>
NET POSITION - END OF YEAR	<u><u>\$ 24,553,584</u></u>	<u><u>\$ 21,942,700</u></u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 2,706,038	\$ 2,540,815
Cash paid to vendors	<u>(1,755,847)</u>	<u>(2,265,738)</u>
Net cash provided by operating activities	<u>950,191</u>	<u>275,077</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	1,676,056	1,527,830
Specific ownership taxes	120,173	106,104
County treasurer's fees	<u>(25,454)</u>	<u>(23,235)</u>
Net cash provided by noncapital financing activities	<u>1,770,775</u>	<u>1,610,699</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Capital outlay	(1,025,402)	(1,381,037)
Sewer connection fees	183,100	373,940
Sewer connections fees paid to MWRD	<u>(143,973)</u>	<u>(108,330)</u>
Net cash required by capital financing activities	<u>(986,275)</u>	<u>(1,115,427)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(3,889,375)	(5,859,127)
Maturity of investments	8,000,000	-
Interest received	<u>335,649</u>	<u>100,079</u>
Net cash provided (required) by investing activities	<u>4,446,274</u>	<u>(5,759,048)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,180,965	(4,988,699)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>3,674,832</u>	<u>8,663,531</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 9,855,797</u></u>	<u><u>\$ 3,674,832</u></u>
RECONCILIATION OF OPERATING GAIN TO CASH FLOWS REQUIRED BY OPERATING ACTIVITIES		
Gain from operations	\$ 248,958	\$ 363,478
Adjustments to reconcile loss from operations to net cash provided (required) by operating activities:		
Depreciation and amortization	411,580	366,507
Effects of changes in operating assets and liabilities:		
Receivables	4,715	(112,478)
Prepaid expenses	(10,940)	(27,458)
Payables and other liabilities	<u>295,878</u>	<u>(314,972)</u>
Net cash provided by operating activities	<u><u>\$ 950,191</u></u>	<u><u>\$ 275,077</u></u>

Cash flows from investing activities do not include a positive fair value adjustment of \$215,669 for 2023 and \$23,423 for 2022.

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

NOTE 1 – DEFINITION OF REPORTING ENTITY

Northwest Lakewood Sanitation District (District), a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Jefferson County, Colorado. The District provides sewer collection service to property within its service area and provides sewer treatment services through an intergovernmental agreement with Metro Water Recovery.

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

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units accounted for as a proprietary enterprise fund. The enterprise fund is used since the District's powers are related to those operated in a manner similar to a private utility system where net income and capital maintenance are appropriate determinations of accountability.

The more significant accounting policies of the District are described as follows:

Basis of Accounting

The District's records are maintained on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when the liability is incurred. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemptions of bonds and loans are recorded as reductions in liabilities. Sewer connection fees and contributed assets from developers are recorded as capital contributions when received.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

Operating Revenues and Expenses

The District distinguishes *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses or capital contributions.

Restricted resources

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

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. For basic financial statement presentation purposes, the District is reported as a single enterprise fund. For budgetary purposes, the District separately budgets for a General Fund and Enterprise Fund.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, or at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

Cash Equivalents

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents.

Capital Assets

Capital assets are recorded at cost except for those assets which have been contributed which are stated at estimated fair value at the date of contribution. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives of 50 years for sewer lines.

Sewer Connection Fees and Contributed Lines

Sewer connection fees are recorded as capital contributions when received. Lines contributed to the District by developers are recorded as capital contributions and additions to the systems at estimated fair market value when received.

Facilities Renovation and Service Fee

The District charges a facilities renovation and service fee in the amount of \$100 per quarter per single family equivalent tap in order to defray the costs of system repairs, renovations and if necessary, to defray annual maintenance costs and expenses associated with the system.

Deferred Outflows/Inflows of Resources

In addition to liabilities, the statement of net position and fund balance sheets 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/fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Property tax revenue that is related to a future period is recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2023 and 2022 consist of the following:

	2023	2022
Deposits with financial institutions	\$ 6,104,826	\$ 644,662
Investments	5,738,565	8,912,720
Total cash and investments	<u>\$11,843,391</u>	<u>\$ 9,557,382</u>

Cash 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 regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the District's cash deposits had a bank balance of \$6,156,149 and a carrying balance of \$6,104,826. At December 31, 2022, the District's cash deposits had a bank balance of \$646,269 and a carrying balance of \$644,662.

Investments

The District has not adopted a formal investment policy however, the District follows state statutes regarding investments.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States and certain U.S. government agency securities and the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Certain reverse repurchase agreements
- . Certain securities lending agreements
- . Certain corporate bonds
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

- . Guaranteed investment contracts
- . Local government investment pools

The District held the following investments as of December 31, 2023:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Maturity</u>
COLOTRUST Plus+	\$ 3,475,971	Less than one year
Money Market Mutual Funds	275,010	Weighted avg. 46 days
U.S. Treasury Bills / Notes	1,987,584	Mature in 2024
Total investments	<u>\$ 5,738,565</u>	

The District held the following investments as of December 31, 2022:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Maturity</u>
COLOTRUST Plus+	\$ 2,888,373	Less than one year
Money Market Mutual Funds	141,807	Weighted avg. 46 days
U.S. Treasury Bills / Notes	5,882,540	Mature in 2023
Total investments	<u>\$ 8,912,720</u>	

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Credit Risk

COLOTRUST

As of December 31, 2023 and 2022, the District has invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund. The Trust offers shares in three portfolios, COLOTRUST Prime (Prime), COLOTRUST Plus+ (Plus+) and COLOTRUST Edge (Edge). All portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST Plus+ and COLOTRUST Edge may also invest in the highest rated commercial paper. The Prime and Plus+

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

portfolios are restricted to a weighted average maturity (WAM) of 60 days or less while the Edge portfolio incorporates longer-dated securities with a WAM of 60 days or more. Both Prime and Plus+ portfolios are rated AAAM by Standard and Poor's and the EDGE

portfolio is rated AAAs/S1 by Fitch Ratings. Information related to COLOTRUST, including the annual audited financial statements, can be found at the COLOTRUST website at www.colotrust.com.

COLOTRUST records its investments at fair value and the District records its investments in COLOTRUST at net asset value as determined by fair value. Each share of Prime and Plus is equal in value to \$1.00 and the redemption frequency is daily with no redemption notice period. Edge's net asset value is managed to approximate a \$10.00 transactional share price and the redemption frequency is five business days. The principal value of an Edge investment may fluctuate and could be greater or less than \$10.00 per share at time of purchase, prior to redemption, and at the time of redemption. There are no unfunded commitments.

Goldman Sachs Financial Square Government MMF

As of December 31, 2023 and 2022, the District was invested in the Goldman Sachs Financial Square Government Money Market Fund which is a money market mutual fund that invests primarily in U.S. government Securities and other obligations issued by the U.S government, its agencies or instrumentalities. The fund is rated AAAM by Standard & Poor's.

Investment Valuation

Certain investments that are measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Certain investments held by the District are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District held investments in COLOTRUST at yearend for which the investment valuations were determined as follows.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

The valuation of the District's investments are as follows as of December 31, 2023:

	<u>Carrying Amount</u>	<u>Level 1 Inputs</u>
Investments measured at fair value:		
U.S. Treasury Bills / Notes	\$ 1,987,584	\$ 1,987,584
Total investments at fair value	<u>1,987,584</u>	<u>1,987,584</u>
Investments measured at NAV:		
COLOTRUST Plus+	3,475,971	
Goldman Sachs Government Fund	275,010	
Total investments at NAV	<u>3,750,981</u>	
 Total investments	 <u>\$5,738,565</u>	

The valuation of the District's investments are as follows as of December 31, 2022:

	<u>Carrying Amount</u>	<u>Level 1 Inputs</u>
Investments measured at fair value:		
U.S. Treasury Bills / Notes	\$ 5,882,540	\$ 5,882,540
Total investments at fair value	<u>5,882,540</u>	<u>5,882,540</u>
Investments measured at NAV:		
COLOTRUST Plus+	2,888,373	
Goldman Sachs Government Fund	141,807	
Total investments at NAV	<u>3,030,180</u>	
 Total investments	 <u>\$8,912,720</u>	

Cash Equivalents

Cash equivalents and investments are reflected for the December 31, 2023 and 2022 statements of net position and statements of cash flows as follows:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 9,855,807	\$ 3,674,842
Investments	<u>1,987,584</u>	<u>5,882,540</u>
	<u>\$11,843,391</u>	<u>\$ 9,557,382</u>

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2023 follows:

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
Capital assets, not being depreciated:				
Land	\$ 7,584	\$ -	\$ -	\$ 7,584
Construction in process	66,469	1,071,954	-	1,138,423
Total capital assets not being depreciated	<u>74,053</u>	<u>1,071,954</u>	<u>-</u>	<u>1,146,007</u>
Capital assets, being depreciated:				
Sewer lines	17,767,158	-	-	17,767,158
Total capital assets being depreciated	<u>17,767,158</u>	<u>-</u>	<u>-</u>	<u>17,767,158</u>
Total accumulated depreciation	<u>(5,770,254)</u>	<u>(411,580)</u>		<u>(6,181,834)</u>
Total capital assets, net	<u>\$ 12,070,957</u>	<u>\$ 660,374</u>	<u>\$ -</u>	<u>\$ 12,731,331</u>

An analysis of the changes in capital assets for the year ended December 31, 2022 follows:

	Balance at December 31, 2021	Increases	Decreases	Balance at December 31, 2022
Capital assets, not being depreciated:				
Land	\$ 7,584	\$ -	\$ -	\$ 7,584
Construction in process	488,358	1,381,037	1,802,926	66,469
Total capital assets not being depreciated	<u>495,942</u>	<u>1,381,037</u>	<u>1,802,926</u>	<u>74,053</u>
Capital assets, being depreciated:				
Sewer lines	15,964,232	1,802,926	-	17,767,158
Total capital assets being depreciated	<u>15,964,232</u>	<u>1,802,926</u>	<u>-</u>	<u>17,767,158</u>
Total accumulated depreciation	<u>(5,403,747)</u>	<u>(366,507)</u>		<u>(5,770,254)</u>
Total capital assets, net	<u>\$ 11,056,427</u>	<u>\$ 2,817,456</u>	<u>\$ 1,802,926</u>	<u>\$ 12,070,957</u>

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

NOTE 5 – LONG-TERM OBLIGATIONS

Debt Authorization

On November 4, 2008, the District's voters authorized the issuance of debt up to \$5,000,000 with a repayment of up to \$10,250,000, but without an increase in the District's taxes, for the financing of scheduled and emergency repair, replacement and improvement of the sanitary sewer system. As of December 31, 2023, the District had not issued the debt.

NOTE 6 - NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets, consists of capital assets, net of accumulated depreciation. As of December 31, 2023 and 2022, the District had net investment in capital assets of \$12,731,331 and \$12,070,957, respectively equal to its net capital assets as the District has no outstanding debt.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023 and 2022 of \$70,500 and \$52,800 for TABOR emergency reserves (Note 9).

NOTE 7 – INTERGOVERNMENTAL AGREEMENTS

SEWER SERVICE AGREEMENT

Metro Water Recovery

The District has an agreement with Metro Water Recovery (Metro) for sewage treatment and disposal. The District is responsible for the maintenance and future construction costs of all sewer lines and retains title to all sewer lines within the District. The standard service agreement with Metro provides for annual charges to be assessed by formula against the District on an estimated basis for sewage treatment. Adjustments to the estimated charge for metered flows and actual costs are billed and payable or credited during the two succeeding years. Metro assesses tap fees against the District for connections to the system.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

The composition of the sewage treatment charges for 2023 and 2022 is as follows:

	2023	2022
Estimate for current year	\$ 1,449,563	\$ 1,469,709
Adjustment of second preceding year estimate to actual	(247,799)	(145,854)
Preliminary adjustment of preceding year estimate	(76,942)	(140,622)
Total annual charges	<u>\$ 1,124,822</u>	<u>\$ 1,183,233</u>

The 2024 sewer treatment estimate is \$1,585,415. The total annual charge is expected to be \$1,631,545 which includes an unfavorable 2022 final adjustment of \$22,340 and an unfavorable 2023 preliminary adjustment of \$23,790.

College Park Water and Sanitation District

The District has an agreement to provide sewer treatment and transmission services to College Park Water and Sanitation District (College Park). The agreement is cancelable upon mutual agreement from both parties. The District bills College Park for a portion of the annual sewer treatment charges paid to Metro Water Recovery. The District also bills College Park for reimbursement of actual maintenance expenses incurred and capital improvements made to the interceptor.

During the years ending December 31, 2023 and 2022, the District received fees in connection with the agreement as follows:

	2023	2022
Treatment service	\$ 199,094	\$ 209,432
Capital improvements	94,287	-
	<u>\$ 293,381</u>	<u>\$ 209,432</u>

In accordance with the Agreement, the District calculated actual maintenance expenses incurred related to College Park for the calendar years 2010 – 2012 and determined that the District owed College Park a credit of \$15,036. During the years ended December 31, 2023 and 2022, the District incurred actual maintenance expenses related to College Park in the amount of \$0 and \$0, respectively, which leaves a remaining credit owed to College Park of \$15,036 as of December 31, 2023.

Sewer Service Agreement - Applewood Sanitation District

In September 2003, the District entered into the Restated and Amended Sewer Service Agreement with Applewood Sanitation District (Applewood). Both districts provide sanitary sewer service to certain properties located within the boundaries of the other district. The District has agreed to continue to serve each Applewood property located within its boundaries and Applewood has agreed to continue to serve each District property within its boundaries. The agreement outlines the charges and billing methodology to be followed by each district so that each district is charged the same rate.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

During the years ended December 31, 2023 and 2022, the District paid treatment fees in connection with the Applewood taps in the amount of \$18,200 and \$0, respectively. The District received service fees from Applewood in the amount of \$14,400 and \$14,400 for the years ended December 31, 2023 and 2022, respectively.

On November 24, 2021, the District entered into a new Sewer Service Agreement with Applewood effective January 1, 2022. The new Sewer Service Agreement supersedes the Restated and Amended Sewer Service Agreement. The District has agreed to continue to serve each Applewood property (36 taps) located within its boundaries and Applewood has agreed to continue to serve each District property (5 taps) within its boundaries. The agreement outlines the charges and billing methodology to be followed by each district. The initial term of the agreement shall be 10 calendar years and shall automatically renew for two times, each time being for an additional term of 10 years unless either District provides the other District with written notice of non-renewal.

Sewer Service Agreement - Westridge Sanitation District

On June 24, 2009, the District approved the Second Restated and Amended Sewer Service Agreement with Westridge Sanitation District (Westridge).

On November 15, 2022, the District entered into a Sewer Service Agreement with Westridge Sanitation District that replaces the 2009 Agreement discussed above, in its entirety). Both districts provide sanitary sewer service to certain properties located within the boundaries of the other district. The District has agreed to continue to serve each Westridge property located within its boundaries and Westridge has agreed to continue to serve each District property within its boundaries. The agreement outlines the charges and billing methodology to be followed by each district so that each district is charged the same rate. On March 21, 2023, the 1st amendment to the Sewer Service Agreement was approved between the parties to increase the number of connections served by the District to 10.

During the years ended December 31, 2023 and 2022, the District paid fees to Westridge in the amount of \$4,000 and \$0, respectively. The District received service fees from Westridge in the amount of \$4,000 and \$0 for the years ended December 31, 2023 and 2022, respectively.

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2023. 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. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**NORTHWEST LAKEWOOD SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022**

The District pays annual premiums to the Pool for liability, property, public officials liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed 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.

NOTE 9 - TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations that apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes its operations qualify for this exclusion.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Some of the provisions of TABOR, including the interpretation of how to calculate Fiscal Year Spending limits and qualification as an Enterprise may require judicial interpretation.

This information is an integral part of the accompanying financial statements.

SUPPLEMENTAL INFORMATION

**NORTHWEST LAKEWOOD SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUNDS AVAILABLE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
Year Ended December 31, 2023**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget -
REVENUES			
Property taxes	\$ 1,676,417	\$ 1,676,056	\$ (361)
Specific ownership taxes	96,000	120,879	24,879
Net investment income	42,000	95,226	53,226
Total Revenues	<u>1,814,417</u>	<u>1,892,161</u>	<u>77,744</u>
EXPENDITURES			
General and administrative:			
Audit and accounting	42,500	57,150	(14,650)
Administration	68,000	72,290	(4,290)
Billing services	32,000	56,570	(24,570)
Consultant	30,000	-	30,000
Directors' fees	6,000	5,000	1,000
Dues and subscriptions	1,400	1,237	163
Election and publications	25,000	18,989	6,011
Insurance and bonds	45,000	28,163	16,837
Legal	55,000	36,925	18,075
Website maintenance	2,000	1,895	105
Bank charges	120	33	87
Office supplies	5,000	4,813	187
County treasurer's fees	25,146	25,173	(27)
Payroll taxes - directors	459	383	76
Miscellaneous	1,000	-	1,000
Operating expenses:			
Treatment charges	1,124,822	907,328	217,494
Engineering	60,000	-	60,000
Utilities	4,000	-	4,000
Contingency and reserves	162,931	-	162,931
Total Expenditures	<u>1,690,378</u>	<u>1,215,949</u>	<u>474,429</u>
NET CHANGE IN FUNDS AVAILABLE	124,039	676,212	552,173
FUNDS AVAILABLE - BEGINNING OF YEAR	<u>939,433</u>	<u>2,088,416</u>	<u>1,148,983</u>
FUNDS AVAILABLE - END OF YEAR	<u><u>\$ 1,063,472</u></u>	<u><u>\$ 2,764,628</u></u>	<u><u>\$ 1,701,156</u></u>

**NORTHWEST LAKEWOOD SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUNDS AVAILABLE - BUDGET AND ACTUAL (BUDGETARY BASIS)
ENTERPRISE FUND
Year Ended December 31, 2023**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget -
REVENUES			
Facilities renovation fee	\$ 2,250,000	\$ 2,276,104	\$ 26,104
Service fees - Commercial	30,000	39,238	9,238
Service fees - College Park	199,094	199,094	-
Service fees - Applewood and Westridge	11,600	18,400	6,800
Denver water service agreement	36,000	42,440	6,440
Reimbursements	575,836	94,287	(481,549)
Sewer connection fee - District	38,880	39,127	247
Sewer connection fee - Metro	-	143,973	143,973
Transfer service fees	6,000	8,650	2,650
Grease trap inspections	12,000	11,105	(895)
Net investment income	42,000	456,092	414,092
Miscellaneous	6,000	6,375	375
Total Revenues	<u>3,207,410</u>	<u>3,334,885</u>	<u>127,475</u>
EXPENDITURES (Page 18)	<u>3,813,515</u>	<u>2,060,587</u>	<u>1,752,928</u>
NET CHANGE IN FUNDS AVAILABLE	(606,105)	1,274,298	1,880,403
FUNDS AVAILABLE - BEGINNING OF YEAR	<u>11,300,775</u>	<u>7,783,327</u>	<u>(3,517,448)</u>
FUNDS AVAILABLE - END OF YEAR	<u>\$ 10,694,670</u>	<u>\$ 9,057,625</u>	<u>\$ (1,637,045)</u>
FUNDS AVAILABLE - GENERAL FUND (PAGE 16)		\$ 2,764,628	
FUNDS AVAILABLE - ENTERPRISE FUND		<u>9,057,625</u>	
		<u>\$ 11,822,253</u>	
Total current assets		\$ 14,074,329	
Total current liabilities and deferred inflows of resources		<u>(2,252,076)</u>	
		<u>\$ 11,822,253</u>	

**NORTHWEST LAKEWOOD SANITATION DISTRICT
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
(BUDGETARY BASIS)
ENTERPRISE FUND
Year Ended December 31, 2023**

	Original Budgeted Amounts	Actual	Variance with Final Budget -
ADMINISTRATIVE			
Billing	\$ 24,000	\$ 24,638	\$ (638)
Treasurer's fees	450	281	169
Legal	750	-	750
Miscellaneous	500	-	500
Total administrative	<u>25,700</u>	<u>24,919</u>	<u>781</u>
OPERATIONS			
Treatment charges - College Park	-	199,094	(199,094)
Treatment charges - Applewood	1,250	18,200	(16,950)
Treatment charges - Westridge	10,200	4,000	6,200
Repairs and maintenance	45,000	12,815	32,185
Connection fees - MWR	19,440	143,973	(124,533)
Contract operator services	375,250	411,111	(35,861)
Miscellaneous	-	-	-
Total operations	<u>451,140</u>	<u>789,193</u>	<u>(338,053)</u>
CAPITAL OUTLAY			
Sewer lines	3,136,675	1,071,954	2,064,721
Non-capitalizable	200,000	174,521	25,479
Total capital outlay	<u>3,336,675</u>	<u>1,246,475</u>	<u>2,090,200</u>
TOTAL EXPENDITURES	<u><u>\$ 3,813,515</u></u>	<u><u>\$ 2,060,587</u></u>	<u><u>\$ 1,752,928</u></u>

**NORTHWEST LAKEWOOD SANITATION DISTRICT
RECONCILIATION OF BUDGETARY BASIS TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended December 31, 2023**

General Fund revenues - budgetary basis	\$ 1,892,161
Enterprise Fund revenues- budgetary basis	<u>3,334,885</u>
Revenues per Statements of Revenues, Expenses and Changes in Net Position	<u>5,227,046</u>
General Fund expenses - budgetary basis	1,215,949
Enterprise Fund expenses- budgetary basis	2,060,587
Depreciation	411,580
Capital outlay	<u>(1,071,954)</u>
Expenses per Statements of Revenues, Expenses and Changes in Net Position	<u>2,616,162</u>
Change in net position per Statements of Revenues, Expenses and Changes in Net Position	<u><u>\$ 2,610,884</u></u>

OTHER INFORMATION

**NORTHWEST LAKEWOOD SANITATION DISTRICT
SUMMARY OF ASSESSED VALUATION , MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Property Taxes		Percentage Collected to Levied
			Levied	Collected	
2006	\$ 159,802,180	7.696	\$ 1,229,838	\$ 1,223,848	99.5%
2007	\$ 158,340,870	7.696	\$ 1,218,591	\$ 1,194,195	98.0%
2008	\$ 168,119,180	7.738 *	\$ 1,300,906	\$ 1,299,482	99.9%
2009	\$ 168,793,140	7.802 *	\$ 1,316,924	\$ 1,306,088	99.2%
2010	\$ 166,715,070	7.525 *	\$ 1,292,042	\$ 1,277,529	98.9%
2011	\$ 164,305,730	7.747 *	\$ 1,272,877	\$ 1,266,400	99.5%
2012	\$ 155,701,876	7.780 *	\$ 1,211,361	\$ 1,209,327	99.8%
2013	\$ 159,216,244	7.571 *	\$ 1,205,426	\$ 1,199,952	99.5%
2014	\$ 165,527,807	7.285 *	\$ 1,205,870	\$ 1,197,171	99.3%
2015	\$ 164,757,771	7.703 *	\$ 1,267,976	\$ 1,267,961	100.0%
2016	\$ 190,485,375	6.878 *	\$ 1,310,158	\$ 1,306,898	99.8%
2017	\$ 204,848,910	6.522 *	\$ 1,336,024	\$ 1,285,763	96.2%
2018	\$ 229,357,320	6.825 *	\$ 1,565,364	\$ 1,549,810	99.0%
2019	\$ 228,984,259	5.437 *	\$ 1,244,987	\$ 1,240,959	99.7%
2020	\$ 246,812,983	5.987 *	\$ 1,477,670	\$ 1,498,472	101.4%
2021	\$ 246,658,967	6.047 *	\$ 1,491,547	\$ 1,481,613	99.3%
2022	\$ 273,032,512	5.661 *	\$ 1,537,826	\$ 1,527,504	99.3%
2023	\$ 267,393,173	6.317 *	\$ 1,676,490	\$ 1,676,056	100.0%
Estimated for year ending December 31, 2024	\$ 308,222,182	5.680 *	\$ 1,750,702		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.

* Consists of the District's mill levy of 7.696 mills net of a temporary mill levy rate reduction.