

CLEAR CREEK VALLEY WATER AND SANITATION DISTRICT
Jefferson County, Colorado

—
Financial Statements
and
Supplemental Information
Year Ended December 31, 2017 and 2016
with
Independent Auditor's Report

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May 17, 2018

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ROBERT L. HOERR

Certified Public Accountant

Independent Auditor's Report

Board of Directors
Clear Creek Valley Water and Sanitation District
Jefferson County, Colorado

Report on Financial Statements

We have audited the accompanying basic financial statements and related notes to the financial statements of Clear Creek Valley Water and Sanitation District as of and for the years ended December 31, 2017 and 2016, as listed in the Table of Contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Clear Creek Valley Water and Sanitation District at December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis

The management's discussion and analysis information on pages III through VII are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 supplementary information as listed in the table of contents is presented for purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Robert L. Hoerr, P.C.

Robert L. Hoerr, P.C.
April 30, 2018

Management's Discussion and Analysis

As management of the Clear Creek Valley Water and 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, 2017.

Financial Highlights

- As of the close of the current fiscal year, the District's net position was \$ 13,962,771
- Net position increased by \$ 243,846

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 revenues, expenses and changes in net position* presents information showing how the government'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.

Both of the government-wide financial statements identify functions of the District that are principally to be supported by ad valorem taxes (*governmental activities*). The governmental activities of the District include the financing, construction of, and maintenance of governmental infrastructure including a sanitation system and facilities constructed or acquired by the District.

The government-wide financial statements can be found on pages 1, 2 and 3 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 4-10 of this report.

Other information. A budgetary comparison statement has been provided in this section to demonstrate compliance with State budget law. The budget statements are found after the *basic financial statements* on pages 11 - 12 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 by \$ 13,962,771 at the close of the most recent fiscal year.

Net Position

	<u>2017</u>	<u>2016</u>
Current assets	\$ 12,254,665	\$ 11,763,962
Capital assets	2,409,204	2,532,387
Total assets	<u>14,663,869</u>	<u>14,296,349</u>
Current liabilities	701,098	617,424
Total liabilities	<u>701,098</u>	<u>617,424</u>
Investment in capital assets	2,409,204	2,532,387
Unrestricted	11,553,567	11,146,538
Total net position	<u>\$ 13,962,771</u>	<u>\$ 13,678,925</u>

Change in Net Position

	<u>2017</u>	<u>2016</u>
Revenue		
Operating Revenue	\$ 1,129,075	\$ 1,127,541
Property taxes (net)	373,068	397,587
Specific ownership taxes	37,522	33,116
Investment income	54,818	42,625
Total revenue	<u>1,594,483</u>	<u>1,607,001</u>
Expenses		
General government (includes depreciation)	1,404,431	1,180,958
Total expenses	<u>1,404,431</u>	<u>1,180,958</u>
Income (loss) before contributions	195,646	426,043
Capital contributions – connection and inclusion fees	88,200	13,750
Net position – Beginning	13,678,925	13,239,132
Net position - Ending	<u>13,962,771</u>	<u>\$ 13,678,925</u>

Review of Expenses

	2017	2016
Operating expenses		
Sewer	\$ 1,275,654	\$ 1,046,980
Depreciation	123,183	127,846
Total operating expenses	1,398,837	1,174,826
Nonoperating expenses	5,594	6,132
Total expenses	<u>\$ 1,404,431</u>	<u>\$ 1,180,958</u>

A majority of sewer operating expenses are made up of the by-pass charges which amounted to \$ 843,816 in 2017. They were \$ 631,153 in 2016.

Budgetary Highlights

The District prepares its budget on the modified accrual basis of accounting to recognize the fiscal impact of capital outlay in addition to operations and nonoperating revenue and contributions. Capital contributions of facilities and depreciation are not reflected on the budget since they do not affect “funds available”. This budgetary accounting is required by State statutes. Additionally, the budget includes the separation of the enterprise and general government functions within the District.

Actual revenue of the District was \$ 103,383 more than budgeted primarily as a result of operating revenue being \$ 77,275 more than budgeted, while all other revenue was \$ 26,108 more than budget.

Actual expenditures of the District were \$ 1,281,247 which was \$ 2,557 more than the appropriation mainly because by-pass charges were \$ 100,926 more than budgeted while all other expenditures were \$ 98,399 under the budgeted amount.

Capital Assets Activity

The activity related to capital assets during 2017 is as follows:

	December 31, 2016	Net Changes	December 31, 2017
Plant and sewer system	\$ 4,925,156	\$ -	\$ 4,925,156
Equipment and furniture	387,193	-	387,193
Total capital assets	5,312,349	-	5,312,349
Accumulated depreciation	2,779,962	123,183	2,903,145
Net capital assets	<u>\$ 2,532,387</u>	<u>\$ 123,183</u>	<u>\$ 2,409,204</u>

Additional information on the District’s capital assets can be found in Notes 2 and 4 of the financial statements.

Economic Factors and Next Year's Budgets and Rates

The District expects to maintain a customer base of 6,218 service units. The District 2017 service fees will remain at \$90 semi-annually per service unit. The District will continue to monitor rates on an annual basis to ensure proper fees are charged for this service.

Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Office of the Clear Creek Valley Water and Sanitation District
5420 Harlan St.
P.O. Box 156
Arvada, Colorado 80001

CLEAR CREEK VALLEY WATER AND SANITATION DISTRICT
STATEMENTS OF NET POSITION
December 31, 2017 and 2016

ASSETS

	2017	2016
Current Assets:		
Cash and cash equivalents	\$ 11,788,591	\$ 11,324,681
Accounts receivable	56,702	42,095
Receivable – County Treasurer	5,263	2,780
Property taxes receivable	384,894	377,949
Prepaid expenses	19,215	16,457
Total current assets	12,254,665	\$ 11,763,962
Capital Assets:		
Buildings and System	4,925,156	4,925,156
Equipment and furniture	387,193	387,193
	5,312,349	5,312,349
Accumulated depreciation	2,903,145	2,779,962
Total capital assets	2,409,204	2,532,387
Total Assets	\$ 14,663,869	\$ 14,296,349

LIABILITIES AND NET POSITION

Current Liabilities:		
Accounts payable and accrued expenses	\$ 254,904	\$ 178,175
Net pension liability	61,300	61,300
Total Current liabilities	316,204	239,475
Deferred inflows of resources		
Property tax revenue	384,894	377,949
Net Position:		
Investment in capital assets	2,409,204	2,532,387
Unrestricted	11,553,567	11,146,538
Total net position	13,962,771	13,678,925
Total Liabilities And Net Position	\$ 14,663,869	\$ 14,296,349

NOTE: The accompanying notes are an integral part of the financial statements.

**CLEAR CREEK VALLEY WATER AND SANITATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION**

For the Years Ended December 31, 2017 and 2016

	2017	2016
Operating Revenue		
Sewer service charges	\$ 1,112,351	\$ 1,115,056
Other	16,724	12,485
Total operating revenues	1,129,075	1,127,541
Operating Expenses		
Personnel and related expenses	330,955	310,902
By-pass charges	843,816	631,153
Other services and expenses	100,883	104,925
Depreciation	123,183	127,846
Total operating expenses	1,398,837	1,174,826
(Loss) From Operations	(269,762)	(47,285)
Non-Operating Revenues (Expenses):		
Taxes – property	378,662	403,719
Taxes – specific ownership	37,522	33,116
Net investment income	54,818	42,625
County treasurer’s fees	(5,594)	(6,132)
Total non-operating revenue	465,408	473,328
Income (Loss) Before Contributions	195,646	426,043
Capital Contributions		
Connection and inclusion fees	88,200	13,750
Total capital contributions	88,200	13,750
Change In Net Position	283,846	439,793
Total Net Position – Beginning Of Year	13,678,925	13,239,132
Total Net Position – End Of Year	\$ 13,962,771	\$ 13,678,925

NOTE: The accompanying notes are an integral part of the financial statements.

CLEAR CREEK VALLEY WATER AND SANITATION DISTRICT
STATEMENTS OF CASH FLOWS
December 31, 2017 and 2016

	2017	2016
Cash Flows From Operating Activities:		
Receipts from customers	\$ 1,114,468	\$ 1,125,064
Payment for operating expenses	1,204,166	(1,040,124)
Net cash (required) by operating activities	(89,698)	84,940
Cash Flows From Non-Capital Financing Activities:		
Property and specific ownership taxes received	410,590	407,100
Net cash provided by non-capital financing activities	410,590	407,100
Cash Flows From Capital And Related Financing Activities:		
Connection and inclusion fees	88,200	13,750
Net cash (required) by capital and related financing activities	88,200	13,750
Cash Flows From Investing Activities:		
Interest income	54,818	42,625
Net cash provided by investing activities	54,818	42,625
Net Increase (Decrease) In Cash and Equivalents	463,910	548,415
Cash And Equivalents – Beginning Of Year	11,324,681	10,776,266
Cash And Equivalents – End Of Year	11,788,591	11,324,681
Reconciliation Of Operating (Loss) To Net Cash Provided By Operating Activities		
Operating (loss)	(269,762)	(47,285)
Adjustments to reconcile operating (loss) to net cash provided (required) by operating activities		
Depreciation and amortization	123,183	127,846
Net book value of capital assets sold		
Decrease (increase) in		
Accounts receivable	(17,090)	(2,477)
Prepaid expenses	(2,758)	11,801
Increase in net pension liability	-	10,800
Accounts payable and accrued expenses	76,729	(15,745)
Net cash (required) by operating activities	\$ (89,698)	\$ 84,940

NOTE: The accompanying notes are an integral part of the financial statements.

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2017 and 2016**

Note 1: Definition of Reporting Entity – The 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 was established to provide water and sanitation services.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organization and functions should be included within the 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 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:

- a) 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 property, plant and equipment are shown as increases in total assets.

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2017 and 2016**

Note 2: Summary of Significant Accounting Policies (Continued)

- b) Budgets – In accordance with the State Budget Law, the District’s Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District’s Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can be modified only upon completion of notice and hearing requirements. The district exceeded the budgeted appropriation by \$2,557 in 2017 which may be in violation of the Colorado State Budget Law.
- c) Property, Plant and Equipment – Property, plant and equipment are recorded at cost except for those assets that have been contributed which are stated at estimated fair market value at the date of contribution or at developers’ cost. These assets are being depreciated over their estimated useful lives of 7 to 40 years on a straight line basis.
- d) Property Taxes – Property taxes are levied by the District 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 before December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of December 31 of each year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or in equal installments, at the taxpayers’ 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. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectable taxes are recorded initially as deferred revenue 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.

- e) Compensated Absences – The District’s financial statements include a provision for vacations earned but not taken by District employees.
- f) Cash Equivalents – The District considers cash deposits and highly liquid investments with original maturities of three months or less to be cash equivalents.

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2017 and 2016**

- g) Contributed Capital – Tap fees are recorded as contributed capital when received. Lines contributed to the District by developers are recorded as contributed capital and additions to the systems at the developer’s cost.

Note 3: Cash and Investments

Cash and investments as of December 31, 2017 are classified in the accompanying financial statement as follows:

Statement of net assets:

Cash and investments	<u>\$ 11,788,591</u>
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Cash and investments as of December 31, 2017 consist of the following:

Deposits with financial institutions	<u>\$ 11,788,591</u>
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Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. 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 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 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.

While the District does not have a formal policy for deposits, as of December 31, 2017, none of the District’s deposits in the amount of \$ 11,788,591 were exposed to custodial credit risk.

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2017 and 2016**

Note 3: Cash and Investments (Continued)

Investments

Credit Risk

The District has not adopted a formal investment policy, however the District follows state statutes regarding investments. Colorado statutes specify types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. government agency entities, certain money market funds, and local government pools.

Custodial And Concentration Of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

As of December 31, 2017, the District had no investments.

Note 4: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2017 follows:

<u>By Classification</u>	<u>Balance at December 31, 2016</u>	<u>Additions</u>	<u>Reduction</u>	<u>Balance December 31, 2017</u>
Plant and systems	\$ 4,925,156	\$ -	\$ -	\$ 4,925,156
Furniture and equipment	387,193	-	-	387,193
	5,312,349	-	-	5,312,349
Accumulated depreciation	2,779,962	123,183	-	2,903,145
Net capital assets	<u>\$ 2,532,387</u>	<u>\$ 123,183</u>	<u>\$ -</u>	<u>\$ 2,409,204</u>

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2017 and 2016**

Note 5: Risk Management

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

The District maintains insurance through a public entity risk pool, more fully described in Note 6, for all significant risks of loss. Settled claims have not exceeded the District's coverage in any of the past five years.

Note 6: Public Entity Risk Pool

The District is a member and obtains insurance coverage from the Colorado Special Districts Property and Liability Pool. The Pool is sponsored by the Special District Association of Colorado. Districts joining the Pool are required to make a surplus contribution in addition to normal premiums. 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. In the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and capital and surplus accumulated by the Pool, the Pool may require additional contributions from the Pool members.

Note 7: Pension Plan

The District provides retirement for its employees through the Clear Creek Valley Water and Sanitation District Pension Trust, a single-employer defined benefit pension plan. The Plan is funded by the District to provide retirement benefits as well as death and disability benefits. The plan is administrated by CBIZ Benefits & Insurance Services, Inc. The plan is financed on a pay-as-you-go basis. At December 31, 2017, the number of participating members was:

Retirees and beneficiaries currently receiving benefits	1
Active employees not currently receiving benefits	<u>4</u>
Total participants	<u>5</u>

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2017 and 2016**

Note 7: Pension Plan (Continued)

Employees are eligible to participate in the plan upon attaining age 20 ½ years and upon completion of 6 months of service. The employee vesting schedule is as follows:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1-2	-0-
3	20%
4	40%
5	60%
6	80%
7 or more	100%

Employee normal retirement is at age 65 years. The retirement benefit is 2% of average monthly compensation for each year of participation to a maximum of 30 years. The District's annual Pension expense was \$ 66,856 in 2017, \$ 65,383 in 2016 and \$ 72,793 in 2015.

Fund Status and Progress:

The amount shown below as "Pension Benefit Obligation" is a standardized disclosure measure of the present value of pension benefits estimated to be payable in the future as a result of years of service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess funding status on a going-concern basis and to assess progress made in accumulating sufficient assets to pay benefits when due.

The pension benefit liability was determined as a part of actuarial valuations at January 1, 2017, 2016 and 2015.

Significant actuarial assumptions used include (1) a rate of investment of present and future assets of 6.0 percent per year compounded annually and (2) retirement at age 65.

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2017 and 2016**

Note 7: Pension Plan (Continued)

The actuarial study reported the following:

	Measurement Date		
	January 1, 2017	January 1, 2016	January 1, 2015
Actuarial present value of all vested accrued benefits	\$ 686,380	\$ 653,412	\$ 619,118
Net assets available for benefits	637,007	592,172	568,691
Excess (deficiency) of assets over vested pension benefit obligation	\$ (49,373)	\$ (61,240)	\$ (50,427)

Beginning January 1, 2017 the district adopted Governmental Accounting Standard Board Statement 68 which requires that net Pension liabilities be accrued in the financial statements as incurred.

Note 8: 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 which 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 a significant portion of its operations qualifies for this exclusion.)

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending Limit must be refunded unless the voters approve retention of such revenue.

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

SUPPLEMENTAL INFORMATION

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Schedule of Revenue, Expenditures and Funds Available
Budget and Actual – (Budgetary Basis)
Year Ended December 31, 2017**

	Original Budget	Actual	Variance Favorable (Unfavorable)
Enterprise activities			
Operating revenue:			
Sewer service charges	\$ 1,100,000	\$ 1,112,351	\$ 12,351
Connection & inclusion fees	31,000	88,200	57,200
Other	9,000	16,724	7,724
Total operating revenue	<u>1,140,000</u>	<u>1,217,275</u>	<u>77,275</u>
Operating expenses:			
Audit fees	2,000	1,899	101
By-pass charges	742,890	843,816	(100,926)
Employee Pension Plan	46,667	44,571	2,096
Engineering fees	8,000	6,215	1,785
Insurance – employees medical	24,000	19,404	4,596
– other	12,500	10,985	1,515
Maintenance:			
- plant and line	30,000	12,767	17,233
- truck	12,000	4,099	7,901
Miscellaneous	6,000	4,510	1,490
Salaries and wages	151,200	159,622	(8,422)
Payroll taxes	12,750	12,198	552
Office expense	9,500	6,018	3,482
Telephone	2,310	1,490	820
Utilities	4,000	3,540	460
Total operating expenses	<u>1,063,817</u>	<u>1,131,134</u>	<u>(67,317)</u>
Income (loss) from operations	<u>76,183</u>	<u>86,141</u>	<u>9,958</u>
Non-operating revenue			
Investment income	35,000	54,818	19,818
Total non-operating revenue	<u>35,000</u>	<u>54,818</u>	<u>19,818</u>
Non-operating expenses			
Capital outlay	50,000	-	50,000
Line extensions	-	-	-
Total non-operating expenses	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess of revenues over (under) expenses from enterprise activities	<u>\$ 61,183</u>	<u>\$ 140,959</u>	<u>\$ 79,776</u>

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Schedule of Revenue, Expenditures and Funds Available
Budget and Actual – (Budgetary Basis)
Year Ended December 31, 2016**

	Original Budget	Actual	Variance Favorable (Unfavorable)
General activities			
Revenue:			
Taxes – property	\$ 384,894	\$ 378,662	\$ (6,232)
Taxes – specific ownership	25,000	37,522	12,522
Total revenue	409,894	416,184	6,290
Expenses:			
Audit fees	10,000	9,496	504
Directors fees	6,000	5,900	100
Employee pension plan	23,333	22,285	1,048
Insurance – employees medical	12,000	9,702	2,298
– other	12,500	10,985	1,515
Legal fees	20,000	15,095	4,905
Office expense	9,500	6,018	3,482
Payroll taxes	4,250	4,066	184
Property tax collection fees	7,000	5,594	1,406
Recording secretary fee	1,200	1,200	-
Salaries and wages	50,400	53,208	(2,808)
Telephone	4,690	3,025	1,665
Utilities	4,000	3,540	460
Total expenses	164,873	150,114	14,759
Excess of revenue over expenses from general activities	245,021	266,070	21,049
Excess of revenue over (under) expenses from enterprise activities and general activities combined	306,204	407,029	100,825
Beginning funds available	11,069,978	11,146,538	76,560
Ending funds available	\$ 11,376,182	\$ 11,553,567	\$ 177,385
Funds available are defined as follows:			
Current assets		\$ 12,254,665	
Less: current liabilities		701,198	
		\$ 11,553,467	

**CLEAR CREEK VALLEY
WATER AND SANITATION DISTRICT**

**Reconciliation Of Budgetary Basis (Actual) To Statement Of Revenue, Expenses
And Changes In Net Position
Year Ended December 31, 2017**

Reconciliation of Budgetary Basis(Actual) To Statement of Revenue,
Expenses And Changes In Net Position:

Revenue (budgetary basis)	<u>\$ 1,688,277</u>
Total revenue per Statement of Revenue, Expenses and Changes in Net Position	<u>1,688,277</u>
Expenditures (budgetary basis)	1,281,247
Depreciation	123,183
Capital outlay	<u>-</u>
Total expenses per Statement of Revenue, Expenses and Changes in Net Position	<u>1,404,430</u>
Change in Net Position per Statements of Revenue, Expenses and Changes in Net Position	<u>\$ 283,847</u>