

Monument Sanitation District

Financial Statements and Supplementary Information
For the Years Ended December 31, 2022 and 2021



Certified Public Accountants

Monument Sanitation District

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Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Monument Sanitation District

Opinion

We have audited the accompanying financial statements of Monument Sanitation District, which comprise the statements of net position-proprietary funds as of December 31, 2022 and 2021, and the related statements of revenues, expenses and changes in net position-proprietary funds and cash flows-proprietary fund for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Monument Sanitation District as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Monument Sanitation 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 opinion.

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 Monument Sanitation District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued



Certified Public Accountants

Independent Auditor's Report

Auditor's Responsibilities for 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 opinion. 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 Monument Sanitation 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 Monument Sanitation 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.



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Independent Auditor's Report

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States requires that the management discussion and analysis on page 4-8, budgetary comparison information on pages 43-44, schedule of Monument Sanitation District's proportionate share of the net pension liability on page 45, schedule of Monument Sanitation District's required contributions to the local government division pension fund on page 46, schedule of Monument Sanitation District's proportionate share of OPEB liability on page 47, and the schedule of Monument Sanitation District's required contributions to the health care trust fund on page 48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Auditing Standards Board (GASB), who considers it to be an essential part of the 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 GAAP, which considered 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 audits of the basic financial statements. We do not express an opinion or provide any assurance on the information provided because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Olson, Reyes & Sauerwein, LLC
Centennial, Colorado
June 21, 2023

Monument Sanitation District

Management Discussion and Analysis

Monument Sanitation District's (the "District") management discussion and analysis (MD&A) is generally intended to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activities, (3) identify changes in the District's financial position (its ability to meet future financial demands and conditions), (4) identify any material deviations from the governmental unit's financial plan (approved budget), and (5) identify individual fund issues or concerns. The MD&A is provided at the beginning of the report to provide an overview of the District's financial position at December 31, 2022, and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, and required supplementary information.

The MD&A is provided at the beginning of the report to provide an overview of the District's financial position at December 31, 2022, and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, and required supplementary information.

Overview of the Sources and Uses of Revenue

The District collects user fees from residential and commercial customers. This revenue is used to fund the overhead and operations of the District. Tap fees are assessed to new customers and used for capital improvements to the District collection system and plant expansion. Interest income generated from these funds available for capital improvements is used to fund the District's overhead and operations. When property taxes are collected, they are used to pay the legal judgment associated with the Tri-Lakes Wastewater Treatment Facility (the "TLWWTF"). Also, the District charges rent to tenants for office space and uses these funds to maintain the building and to fund the District's overhead and operations.

Overview of the Financial Statements

- Statements of Net Position- provide information about the nature and amounts of District assets, liabilities, and deferred inflow/outflows of resources. Net position reflects the difference between assets, liabilities, and deferred inflows/outflows of resources. An increase in net position over time typically indicates an improvement in financial condition.
- Statements of Revenues, Expenses, and Changes in Net Position- report the District's operating and non-operating revenues by major source, along with operating and non-operating expenses, and capital contributions.
- Statements of Cash Flows- provide information about the District's cash receipts, cash payments, and changes in cash resulting from operating activities, financing activities, and investing activities.

Monument Sanitation District

Management Discussion and Analysis

Condensed Statements of Net Position

<i>As of December 31,</i>	2022	2021
Current Assets	\$ 4,063,986	\$ 1,998,593
Capital Assets - Net	4,495,807	4,747,520
Non-Current Restricted Assets	42,306	42,278
Net Pension Asset	17	-
Investment in Joint Use Facility	2,179,235	2,249,983
Total Assets	10,781,351	9,038,374
Deferred Outflows of Resources	40,431	63,299
Total Assets and Deferred Outflows of Resources	\$ 10,821,782	\$ 9,101,673
Current Liabilities	\$ 80,932	\$ 65,384
Net Pension Liability (Asset)		142,049
Other Post Employment Benefit (OPEB) Liability	13,659	19,833
Revenue Note Payable - Due After One Year	180,000	210,000
Total Liabilities	274,591	437,266
Deferred Inflows of Resources	157,012	160,005
Total Liabilities and Deferred Inflows of Resources	431,603	597,271
Net Position		
Invested in Capital Assets - Net of Related Debt	4,495,807	4,747,520
Restricted - Revenue Note Reserve	42,306	42,278
Unrestricted	5,852,066	3,714,604
Total Net Position	10,390,179	8,504,402
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 10,821,782	\$ 9,101,673

Monument Sanitation District

Management Discussion and Analysis

Condensed Statements of Revenues, Expenses, and Changes in Net Position

<i>Years Ended December 31,</i>	2022	2021
User Fees	\$ 867,702	\$ 785,175
Rental and Interest Income	81,483	28,891
(Loss) from Investment in Joint Use Facility	(70,748)	(68,402)
Other Revenue	67,338	34,165
Total Revenue	945,775	779,829
Operation and Maintenance Expense	396,627	348,920
Depreciation Expense	251,712	252,118
General and Administrative Expense	323,088	343,807
Total Expenses	971,427	944,845
Income (Loss) Before Capital Contributions	(25,652)	(165,016)
Capital Contributions - Tap Fees	1,911,429	1,113,200
Change in Net Position	1,885,777	948,184
Net Position - Beginning of Year	8,504,402	7,556,218
Net Position - End of Year	\$ 10,390,179	\$ 8,504,402

Monument Sanitation District

Management Discussion and Analysis

Budgetary Highlights

<i>As of and for the Years Ended December 31,</i>	2022	2021
Beginning Capital Assets	\$ 4,747,519	\$ 4,995,008
Equipment and Capital Improvements	-	4,629
Depreciation Expense	(251,712)	(252,118)
Ending Capital Assets	4,495,807	4,747,519

Tri-Lakes Wastewater Treatment Facility Improvements and Litigation

The Monument Sanitation District, the Woodmoor Water and Sanitation District #1 (“Woodmoor”), and the Palmer Lake Sanitation District (“Palmer”) provide wastewater treatment at the Tri-Lakes Wastewater Treatment Facility (TLWWTF), which is operated as a joint venture under the Amended Joint Use of Facilities Agreement dated June 6, 1996. The TLWWTF assets and liabilities are commonly owned by each district in an equal, undivided one-third interest.

In 2014, TLWWTF began incurring costs relating to construction improvements and nutrient removal in order to comply with new Federal and State regulations. The costs of construction and nutrient removal were originally allocated amongst the three districts based on ownership of capacity at TLWWTF. The District’s ownership of capacity is 19.79%; Palmer’s ownership of capacity is 15.93%; and Woodmoor’s ownership of capacity is 64.28%.

To fund the costs of the improvements, the District entered into a revenue note agreement in the amount of \$400,000, and was also awarded a cooperative grant (along with Woodmor and Palmer) from the state of Colorado in the amount of \$1,080,000.

The revenue note bears interest at 3.61%, and matures in December 2028. Under the terms of the agreement, the District was required to establish a debt reserve to cover principal and interest payments in the event of default. As of December 31, 2022 and 2021, the balance of the note was \$180,000 and \$210,000, respectively, and the balance of the debt reserve was \$42,306 and \$42,278, respectively.

Monument Sanitation District Management Discussion and Analysis

Other Items

User Fees

For the years ended December 31, 2022 and 2021, the District's Board of Directors had approved user fees as

Residential Fees	\$40 and \$35 per month, respectively
Commercial Fees	\$40 per month up to 5,000 gallons for each year \$5.10 per 1,000 gallons thereafter

During the years ended December 31, 2022 and 2021, the District received \$1,911,429 and \$1,113,200 of tap fees that were recorded as contributed capital primarily from the development of the new Wagon West subdivision.

Monument Sanitation District

Statements of Net Position - Proprietary Fund

December 31, 2022 and 2021

	2022	2021
Current Assets		
Cash and Cash Equivalents:		
In banks and on hand	\$ 595,616	\$ 280,770
In Colorado Local Government Liquid Asset Trust	3,273,806	1,538,630
Total Cash and Cash Equivalents	3,869,422	1,819,400
Receivables:		
User fees	184,110	165,418
Tap fees - Wakonda Hills	10,454	13,775
Total Receivables	194,564	179,193
Total Current Assets	4,063,986	1,998,593
Non-Current Assets		
Capital Assets:		
Office building and land	401,433	401,433
Office building improvements	352,993	352,993
Collection system	4,942,738	4,942,738
Furniture, fixtures and equipment	43,645	43,645
Equipment	61,642	61,642
ARRA Wakonda Hills collection system	2,000,000	2,000,000
	7,802,451	7,802,451
Less: accumulated depreciation	3,306,644	3,054,931
Capital Assets - Net	4,495,807	4,747,520
Investment in joint use facility	2,179,235	2,249,983
Restricted cash - revenue note reserve	42,306	42,278
Net pension asset	17	-
Total Non-Current Assets	6,717,365	7,039,781
Total Assets	10,781,351	9,038,374
Deferred Outflows of Resources:		
Related to pensions	38,468	61,438
Related to other post employment benefit (OPEB) obligations	1,963	1,861
Total Deferred Outflows of Resources	40,431	63,299
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 10,821,782	\$ 9,101,673

See Notes to Financial Statements

Monument Sanitation District

Statements of Net Position - Proprietary Fund

December 31, 2022 and 2021

	2022	2021
Current Liabilities		
Accounts payable	\$ 44,273	\$ 32,417
Accrued payroll taxes payable and vacation	6,659	2,967
Revenue note payable - due within one year	30,000	30,000
Total Current Liabilities	80,932	65,384
Long Term Liabilities		
Net pension liability	-	142,049
Other post-employment benefit (OPEB) liability	13,659	19,833
Revenue note payable - due after one year	180,000	210,000
Total Long Term Liabilities	193,659	371,882
Total Liabilities	274,591	437,266
Deferred Inflows of Resources		
Related to pensions	152,187	153,618
Related to other post-employment benefit obligations (OPEB)	4,825	6,387
Total Deferred Inflows of Resources	157,012	160,005
Total Liabilities and Deferred Inflows of Resources	431,603	597,271
Net Position		
Invested in capital assets - net of related debt	4,495,807	4,747,520
Restricted - revenue note reserve	42,306	42,278
Unrestricted	5,852,066	3,714,604
Total Net Position	10,390,179	8,504,402
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 10,821,782	\$ 9,101,673

See Notes to Financial Statements

Monument Sanitation District

Statements of Revenues, Expenses, and Changes in Net Position - Proprietary Fund

For the Years Ended December 31, 2022 and 2021

	2022	2021
Operating Revenues		
User fees	\$ 867,702	\$ 785,175
Operating Expenses		
Depreciation	251,712	252,118
Other expense	8,710	18,569
Engineering fees	19,587	97,416
Repairs and maintenance	105,522	13,824
Sewage treatment and disposal - joint use facility	262,808	219,111
Total Operating Expenses	648,339	601,038
Gross Income from Operations	219,363	184,137
General and Administrative Expenses		
Audit and accounting	26,900	28,115
Insurance and bonding	49,397	41,225
Interest	8,664	9,747
Legal and professional fees	27,439	42,897
Office supplies and expenses	38,230	33,539
Payroll taxes	3,795	2,577
Pension and OPEB expense (income)	(90,992)	146
Salaries	238,068	162,787
Telephone and utilities	21,587	22,774
Total General and Administrative Expenses	323,088	343,807
(Loss) From Operations	(103,725)	(159,670)
Non-Operating Revenues (Expenses)		
Rental income	27,600	27,600
Interest income	53,883	1,291
Other revenue	67,338	34,165
Income (Loss) from investment in joint use facility	(70,748)	(68,402)
Non-Operating Revenues (Expenses) - Net	78,073	(5,346)
Income (Loss) Before Capital Contributions	(25,652)	(165,016)
Capital Contributions - Tap fees	1,911,429	1,113,200
Change in Net Position	1,885,777	948,184
Net Position - Beginning of Year	8,504,402	7,556,218
NET POSITION - END OF YEAR	\$ 10,390,179	\$ 8,504,402

See Notes to Financial Statements

Monument Sanitation District

Statements of Cash Flows - Proprietary Fund

For the Years Ended December 31, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 852,329	\$ 746,109
Cash payments to suppliers for goods and services	(548,423)	(594,875)
Cash payments to employees for services	(275,442)	(178,972)
Cash paid for interest	(8,664)	(9,747)
Net Cash Flows from Operating Activities	19,800	(37,485)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Other revenue	67,338	34,165
Net Cash Flows from Non-Capital Financing Activities	67,338	34,165
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital contributed - sewer tap fees	1,911,429	1,113,200
Revenue note payable	(30,000)	(30,000)
Acquisition of capital assets - net	-	(4,630)
Net Cash Flows From Capital and Related Financing Activities	1,881,429	1,078,570
CASH FLOWS FROM INVESTING ACTIVITIES		
Rental income	27,600	27,600
Investment income (loss) - net	53,883	1,291
Net Cash Flows from Investing Activities	81,483	28,891
Change in Cash and Cash Equivalents	2,050,050	1,104,141
Cash and cash equivalents and restricted cash - beginning of year	1,861,678	757,537
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	\$ 3,911,728	\$ 1,861,678
Cash and Cash Equivalents and Restricted Cash Consist of the Following		
Cash and cash equivalents - unrestricted	\$ 3,869,422	\$ 1,819,400
Restricted cash - revenue not reserve	42,306	42,306
Total Cash and Cash Equivalents	\$ 3,911,728	\$ 1,861,706
Reconciliation of Operating (Loss) to Net Cash From Operating Activities:		
(Loss) from operations	\$ (103,725)	\$ (159,670)
Depreciation	251,712	252,118
Changes in Assets and Liabilities		
Change in receivables	(15,370)	(39,066)
Change in accounts payable	11,856	(75,517)
Change in payroll taxes payable and accrued vacation	3,692	691
Change in net pension liability	(142,066)	(91,486)
Change in OPEB Liability	(6,174)	(7,654)
Change in deferred outflows	22,868	111,029
Change in deferred inflows	(2,993)	(27,930)
Net Cash Flows from Operating Activities	\$ 19,800	\$ (37,485)

See Notes to Financial Statements

Monument Sanitation District

Notes to the Financial Statements

Note 1 - Significant Accounting Policies

Introduction

The financial statements of the Monument Sanitation District (the "District") have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District and described below.

Reporting Entity

The District is a sanitation district created by state statute as a special district. Under the authority granted by such statutes, the District has the power to enter into contracts and agreements; to sue and be sued; to hire employees and agents; to incur indebtedness and issue bonds; to refund any bonds of the District without an election; to fix rates, tolls, or charges for services, programs, or facilities furnished by the District, and to pledge such revenues for the payment of an indebtedness of the District; to adopt and enforce regulations promulgated by the Board; to cause the levy and collection of ad valorem property taxes; to acquire, dispose of, and encumber real and personal property and any interest in such property including leases and easements; to have the management, control, and supervision of all the business affairs of the District and the construction, installation, operation, and maintenance of the District improvements within and outside the District; and to exercise the power of eminent domain for the condemnation of private property (except water rights) for public use. The Board may also, subject to compliance with statutory procedures, order the inclusion or exclusion of real property, thereby modifying the boundaries of the District.

The District follows 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.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District has no component units as defined by GASB, Statement No. 14, The Financial Reporting Entity, and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units.

The District is not financially accountable for any other organizations.

Monument Sanitation District

Notes to the Financial Statements

Note 1 - Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The District uses one fund to report on its financial position and activities. Fund accounting is designed to segregate transactions related to certain government functions and activities. The District's fund is classified as an enterprise fund type. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The District's records are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when the liability is 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.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and unrestricted resources as they are needed.

Budgets

Budgets are adopted on a non-GAAP basis for the funds. In accordance with the State Budget Law, the District's Board of Directors holds public hearing 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 total appropriation can only be modified upon completion of notification and publication requirements. Encumbrance accounting (open purchase orders and other commitments for the expenditures of funds in future periods) is not used by the District for financial reporting purposes, but is used for budgetary purposes.

Cash Equivalents

For purposes of the Statements of Cash Flows, the District considers cash deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from the estimates.

Monument Sanitation District

Notes to the Financial Statements

Note 1 - Significant Accounting Policies (continued)

Financial Instruments

The District's financial instruments include cash, receivables, accounts payable, and short-term borrowings. The fair value of these financial instruments approximates their carrying amounts based on current market indicators such as prevailing interest rates and/or their nearness to maturity.

Receivables

Accounts receivable consist primarily of sewer user fees which are billed monthly. No provision is made for uncollectible accounts as the District has tax lien authority against the specific properties for collection of amounts due.

Capital Contributions from Developers

Developers of new subdivisions within the District are required to construct the necessary sewer lines in accordance with District specifications. The District charges a tap fee for collections in the new subdivisions. The amount of tap fees to be retained by the District is recorded as a capital contribution.

Capital Assets

The District defines capital assets as assets with an initial individual cost of more than \$1,000, and an estimated useful life in excess of two years. The cost of maintenance and repairs, as well as minor replacements and improvements, is charged against income as incurred. The District has elected not to report major general infrastructure assets retroactively. Depreciation is provided on the straight-line basis over the estimated useful life of the property as follows:

Collection System	31 years
Equipment	5 years
Building and Improvements	39 years

Depreciation is computed and recorded as an operating expense. Expenditures for property, plant, and equipment are shown as increases in assets, and redemption of bonds is recorded as a reduction in liability.

Property Taxes

For the year ended December 31, 2022 and 2021, no property taxes were levied.

Monument Sanitation District

Notes to the Financial Statements

Note 1 - Significant Accounting Policies (continued)

Net Position

The financial statements utilize a net position presentation. Net position is categorized into three components: Invested in capital assets- net of related debt, restricted net position, and unrestricted net position.

- **Invested in Capital Assets - Net of Related Debt.** This component of net position consists of capital assets, net of accumulated depreciation, and is reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted Net Position - Revenue Note Reserve.** This component of net position consists of reserve requirements relating to the revenue note payable imposed by the lender.
- **Unrestricted Net Position.** This component consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.
- **Operating and Non-Operating Revenue and Expenses.** Operating revenues result from user fees. Expenses associated with providing wastewater treatment services are considered operating. Non-operating revenues result from rental income and non-exchange transactions, such as gains and losses on the joint use facility and interest income, as well as property tax revenues.

Subsequent Events

In preparing its financial statements, the District has evaluated subsequent events through June 21, 2023, which is date the financial statements were available to be issued. Management of the District has not identified any material subsequent events that require reporting or disclosure.

Note 2 - Cash and Cash Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. The statute specifies eligible depositories for public cash deposits, which must be Colorado institutions and must maintain Federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held-in-trust. The market value of the collateral must be at least equal to the aggregate uninsured deposit. The State Regulatory Commissions for banks and financial services are required by statutes to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. As of December 31, 2022 and 2021, none of the District's bank deposits were exposed to credit risk.

Monument Sanitation District

Notes to the Financial Statements

Note 2 - Cash and Cash Investments (continued)

At December 31, 2022, the District's cash deposits had a carrying and bank balance as follows:

<i>December 31, 2022</i>	Carrying Balance	Bank Balance
Cash on Hand	\$ 100	\$ -
Insured Deposits		
Unrestricted Cash	595,516	599,353
Restricted Cash - Reserve Note Payable	42,306	42,278
	\$ 637,922	\$ 641,631

At December 31, 2021, the District's cash deposits had a carrying and bank balance as follows:

<i>December 31, 2021</i>	Carrying Balance	Bank Balance
Cash on Hand	\$ 100	\$ -
Insured Deposits		
Unrestricted Cash	280,670	346,433
Restricted Cash - Revenue Note Payable	42,278	42,278
Total Cash	\$ 323,048	\$ 388,711

Concentration of Credit Risk

State statutes do not limit the amount the District may invest in one issuer. The District's general investment policy requires the "prudent-investor" standard which states, "Investments shall be made with judgment and care under circumstances then prevailing with persons or prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income derived."

Monument Sanitation District

Notes to the Financial Statements

Note 2 - Cash and Cash Investments (continued)

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.
- Certain internal and agency securities.
- General obligation and revenue bonds of U.S. local government entities.
- Bankers' acceptances of certain banks.
- Commercial paper.
- Written repurchase agreements collateralized by certain authorized securities.
- Certain money market funds.
- Guaranteed investment contracts.
- Local government investment pools.

Local Government Investment Pool

At December 31, 2022 and 2021, the District had invested \$3,273,806 and \$1,538,630, respectively, in the Colorado Local Government Liquid Asset Trust (the "Trust"), an investment vehicle established for local entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal to \$1.00. The Trust may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. The Trust is rated AAA by both Standard and Poor's and Moody's.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. At December 31, 2022 and 2021, the market value of the investment was the same as the carrying value.

Interest Rate Risk

State statute limits investments in agencies to a maximum five-year maturity and corporate bonds to three years.

Monument Sanitation District

Notes to the Financial Statements

Note 3 - Capital Assets

Capital asset balances and activity for the year ended December 31, 2022, were as follows:

	Balance January 1, 2022	Additions	Retirements	Balance December 31, 2022
Office building, land and improvements	\$ 754,426	\$ -	\$ -	\$ 754,426
Collection system	4,942,738	-	-	4,942,738
Furniture, fixtures and equipment	105,287	-	-	105,287
ARRA Wakonda Hills Collection System	2,000,000	-	-	2,000,000
	<u>\$ 7,802,451</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,802,451</u>
Accumulated Depreciation:				
Office building, land and improvements	297,081	27,590	-	324,671
Collection system	1,948,080	64,516	-	2,012,596
Furniture, fixtures and equipment	96,713	5,755	-	102,468
ARRA Wakonda Hills Collection System	713,057	153,852	-	866,909
	<u>\$ 3,054,931</u>	<u>\$ 251,713</u>	<u>\$ -</u>	<u>\$ 3,306,644</u>

Capital asset balances and activity for the year ended December 31, 2021, were as follows:

	Balance January 1, 2021	Additions	Retirements	Balance December 31, 2021
Office building, land and improvements	\$ 754,426	\$ -	\$ -	\$ 754,426
Collection system	4,938,398	4,340	-	4,942,738
Furniture, fixtures and equipment	104,997	290	-	105,287
ARRA Wakonda Hills Collection System	2,000,000	-	-	2,000,000
Total Capital Assets	<u>\$ 7,797,821</u>	<u>\$ 4,630</u>	<u>\$ -</u>	<u>\$ 7,802,451</u>
Accumulated Depreciation:				
Office building, land and improvements	\$ 275,081	\$ 22,000	\$ -	\$ 297,081
Collection system	1,788,745	159,335	-	1,948,080
Furniture, fixtures and equipment	90,446	6,267	-	96,713
ARRA Wakonda Hills Collection System	648,541	64,516	-	713,057
Total Accumulated Depreciation	<u>\$ 2,802,813</u>	<u>\$ 252,118</u>	<u>\$ -</u>	<u>\$ 3,054,931</u>

Monument Sanitation District

Notes to the Financial Statements

Note 4 - Investment in Joint Use Facility

The District, the Woodmoor Water and Sanitation District #1 ("Woodmoor"), and the Palmer Lake Sanitation District ("Palmer") provide wastewater treatment at the Tri-Lakes Wastewater Facility ("TLWWTF"), which is operated as a joint venture under the Amended Joint Use Agreement dated June 6, 1996. The TLWWTF assets and liabilities are commonly owned by each district in equal, undivided one-third interests. Woodmoor is presently the management company for the facility, as directed by a three-member board of directors, comprised of one director and an alternate appointed from each district.

The District uses the equity method to record its share of joint use facility transactions. At December 31, 2022 and 2021, the District's ownership interest in TLWWTF reflected in the Statements of Net Position as Investment in Joint Use Facility, was \$2,179,235 and \$2,249,983, respectively. The District's share of the change in net position of TLWWTF for the years ended December 31, 2022 and 2021, reflected in the Statements of Revenues, Expenses, and Changes in Net Position as (Loss) from Investment in Joint Use Facility, was \$(70,748) and \$(68,402), respectively.

The following reflects a summary of the financial position and results of operation of TLWWTF, as of and for the years ended December 31, 2022 and 2021:

	2022	2021
Cash	\$ 61,016	\$ 25,110
Accounts receivable	75,878	64,545
Prepaid expenses	41,766	35,392
Net pension asset	34,229	-
Capital assets, net of accumulated depreciation	6,801,890	7,098,592
Total Assets	7,014,779	7,223,639
Deferred outflows of resources - related to pensions	64,721	123,498
Total Assets and Deferred Outflows of Resources	\$ 7,079,500	\$ 7,347,137
Accounts payable	\$ 7,692	\$ 3,106
Compensated absences	86,463	78,175
Deposits held	59,172	59,172
Net pension liability	-	297,039
Net OPEB liability	26,761	33,244
Total Liabilities	180,088	470,736
Total Net Position	6,537,706	6,749,948
Deferred inflows of resources - related to pensions	361,706	126,453
Total Liabilities, Net Position and Deferred Inflows of Resources	\$ 7,079,500	\$ 7,347,137

Monument Sanitation District

Notes to the Financial Statements

Note 4 - Investment in Joint Use Facility (continued)

	2022	2021
Operating revenues	\$ 1,286,430	\$ 1,447,805
Non-operating income (expenses) - net	43,911	(207,543)
Operating (expenses)	(1,542,583)	(1,397,427)
Net (Loss)	\$ (212,242)	\$ (157,165)

Capital outlays of the joint use facility are assessed equally to each district. Operating expenses for the joint use facility are allocated to the respective districts based on various factors, such as monthly influent flows and BOD loadings.

Monthly billings from the joint use facility, which cover both operating expenses and other assessments, are expensed by the District. Included in Sewage Treatment and Disposal Expense for the years ended December 31, 2022 and 2021, are the following charges related to the joint use facility:

	2022	2021
Operating expenses charged by TLWWTF	\$ 234,780	\$ 184,564
Other - sludge removal	28,028	34,547
Total Sewage Treatment Disposal Expense	\$ 262,808	\$ 219,111

As of December 31, 2022 and 2021, the District owed TLWWTF \$3,192 and \$54,112, respectively, which is included in Accounts Payable- Trade.

On October 13, 1998, and December 12, 2006, the District contributed \$10,000 and \$7,000, respectively, to an escrow deposit account with TLWWTF. The ownership presentation of the Investment in Joint Use Facility is as follows as of December 31, 2022 and 2021:

	2022	2021
District's Ownership Interest in TLWWTF	\$ 2,179,235	\$ 2,249,983
Escrow deposit	-	17,000
Investment in Joint Use Facility	\$ 2,179,235	\$ 2,266,983

Monument Sanitation District

Notes to the Financial Statements

Note 5 - Revenue Note Payable

In December 2013, the District entered into a revenue note agreement in the original amount of \$400,000. The revenue note bears interest at a rate of 3.61%, and matures on December 1, 2028. Interest is due semi-annually. The revenue note constitutes an irrevocable and first lien on the net revenue of the District. Net revenue (defined in the note agreement as gross revenue less operating and maintenance expenses) is pledged for the payment of the revenue note. No monthly payments are required under the revenue note, but the note stipulates annual principal payment requirements escalating from \$5,000 per annum to \$40,000 over the duration of the loan. Principal repayments must be made from Net Revenues or from the Reserve Deposit Account, described below. At December 31, 2022 and 2021, the outstanding balance of the note was \$210,000 and \$240,000

The following is a summary of the future maturities for the revenue note payable for the years ending December 31st:

	Principal	Interest
2023	\$ 30,000	\$ 7,581
2024	35,000	6,858
2025	35,000	5,235
2026	35,000	3,971
2027	35,000	4,152
2028	40,000	1,444
	<u>\$ 210,000</u>	<u>\$ 29,241</u>

Under the terms of the note, the District is required to establish a reserve account with a minimum balance of \$42,000 to be used only to prevent default in the payment of the revenue note. As of December 31, 2022 and 2021, the balance of the reserve account was \$42,306 and \$42,278, respectively, and is reflected as Restricted-Revenue Note Reserve in the Statement of Net Position.

Note 6 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation, for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There was no significant reduction in the District's insurance coverage in the year ended December 31, 2022.

Monument Sanitation District

Notes to the Financial Statements

Note 6 - Risk Management (continued)

The District is a member of the Colorado Special Districts Property and Liability Pool (the "Pool"), as of December 31, 2022 and 2021. The Pool is an organization created by intergovernmental agreement to provide property, liability, public official's liability, boiler and machinery, and workers' compensation coverage to its members.

The District pays annual premiums to the Pool for liability, property, public officials, 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 that the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula. Settled claims have not exceeded this coverage in any of the past three years.

Note 7 - Commitments and Contingencies

Environmental Protection Agency (EPA)

The EPA has imposed certain requirements for providing sludge removal at the treatment plant owned and operated jointly with Woodmoor Water and Sanitation District #1 and Palmer Lake Sanitation District. However, the District's legal counsel has determined that the treatment facility may be exempt from the EPA requirements.

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. The District operates as a waste water activity pursuant to Title 37, Article 45.1 of the state statutes.

Enterprises defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenues in grants from all state and local governments combined are excluded from the provision of TABOR. The District's management believes its operations qualify for this exclusion. However, TABOR is complex and subject to interpretation. Many of the provisions, including qualification as an enterprise, will require judicial interpretation. Accordingly, the possibility exists that the District's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue is provided for in these financial statements.

Monument Sanitation District

Notes to the Financial Statements

Note 8 - Accounts Receivable Tap Fees - Wakonda Hills

The District allowed Wakonda Hill's residents that were using septic to purchase taps for \$5,000 with a \$1,000 credit if signed up during 2004 and 2005. These residents were allowed to pay the taps over 15 years with no interest. At December 31, 2022 and 2021, the outstanding balance was \$10,454 and \$13,775, respectively.

Note 9 - Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions: The District participates in the Local Government Division Trust Fund ("LGDTF"), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan Description: Eligible employees of the the District are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.). Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided as of December 31, 2021: PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the

- Highest average salary multiplied by 2.5 percent, and then multiplied by years of service credit.
- The value of the retiring employee's member contributions account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on the life expectancy and other actuarial factors.

In all cases, the service retirement benefit is limited to 100 percent of highest salary and cannot exceed the maximum benefit allowed by the Federal Internal Revenue Code.

Monument Sanitation District

Notes to the Financial Statements

Note 9 - Defined Benefit Pension Plan (continued)

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employees; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained, and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision ("AAP") under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007 will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above, considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contribution Provisions as of December 31, 2022: Eligible employees of the District are required to contribute to the LGDTF at a rate set by C.R.S. § 24-51-401, *et seq*, and § 24-51-413. Eligible employees are required to contribute 8.5 percent of their PERA-includable salary during the period from January 1, 2022 through June 31, 2022, and 9 percent of their PERA-includable salary during the period from July 1, 2022 through December 31, 2022.

Monument Sanitation District

Notes to the Financial Statements

Note 9 - Defined Benefit Pension Plan (continued)

The employer contribution requirements during the period of January 1, 2022 through December 31, 2022 are summarized in the table below:

	January 1, 2022 through June 30, 2022	July 1, 2022 through December 31, 2022
Employer Contribution Rate *	10.50%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund *	(1.02%)	(1.02%)
Amount apportioned to the LGDTF *	9.48%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 *	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 *	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415 *	0.03%	0.03%
Total employer contribution rate to the LGDTF *	13.21%	13.71%

* Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. 24-51-101(42)

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member, and the District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the District were \$29,229 and \$20,243, for the years ended December 31, 2022 and 2021, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022 and 2021, the District reported an (asset) of \$(18) and a liability of \$142,049, respectively, for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021 and 2020, respectively, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2020 and 2019, respectively. Standard update procedures were used to roll forward the total pension liability to December 31, 2021 and 2020, respectively. The District proportion of the net pension liability (asset) was based on District contributions to the LGDTF for the calendar years 2021 and 2020, respectively.

At December 31, 2021, the District proportion was .020481%, which was a decrease of 0.00677% from its proportion measured as of December 31, 2020.

Monument Sanitation District

Notes to the Financial Statements

Note 9 - Defined Benefit Pension Plan (continued)

For the years ended December 31, 2022 and 2021, the District recognized pension (income) expenses of \$(90,992) and \$147, respectively.

At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 858	\$ 293
Changes in assumptions or other inputs	5,952	-
Net difference between projected and actual earnings on pension plan investments	-	151,894
Contributions subsequent to the measurement date	31,658	-
Total	\$ 38,468	\$ 152,187

The \$31,658 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the years ending December 31:

	December 31st,
2023	\$ 57,615
2024	36,649
2025	18,432
	\$ 112,696

Monument Sanitation District

Notes to the Financial Statements

Note 9 - Defined Benefit Pension Plan (continued)

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,868	\$ -
Changes in assumptions or other inputs	34,328	-
Net difference between projected and actual earnings on pension plan investments	-	153,618
Changes in proportion and differences between contributions recognized and proportionate share of contributions	(1,661)	-
Contributions subsequent to the measurement date	21,903	-
Total	\$ 61,438	\$ 153,618

Actuarial Assumptions: The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Cost Method	Entry age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, including Wage Inflation	3.20 - 11.30%
Long-term Investment Rate of Return, Net of Pension Plan Investment Expenses, including Price Inflation	7.25%
Discount Rate	7.25%
Post-Retirement Benefit Increases:	
PERA Benefit Structure, hired prior to 1/1/07	1.00%
PERA Benefit Structure, hired after 12/31/06	Financed by the Annual Increase Reserve

The TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Monument Sanitation District

Notes to the Financial Statements

Note 9 - Defined Benefit Pension Plan (continued)

Post-retirement non-disabled mortality assumptions for members were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for members were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2020.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020.

Monument Sanitation District

Notes to the Financial Statements

Note 9 - Defined Benefit Pension Plan (continued)

As of the most recent affirmation of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	-

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount Rate: The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate in effect for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

Monument Sanitation District

Notes to the Financial Statements

Note 9 - Defined Benefit Pension Plan (continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021 and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25 percent to 1.00 percent resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate.

Monument Sanitation District

Notes to the Financial Statements

Note 9 - Defined Benefit Pension Plan (continued)

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
2021			
Proportionate share of the net pension liability	\$ 120,398	\$ (17,560)	\$ 132,955

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the 2020 rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
2021			
Proportionate share of the net pension liability	\$ 327,223	\$ 142,049	\$ (12,548)

Pension Plan Fiduciary Net Position: Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB)

Summary of Significant Accounting Policies

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position, and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan Description: Eligible employees of the District are provided with OPEB through the HCTF- a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado state law provisions may be amended from time-to-time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided: The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. 24-51-1202 *et seq.* specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, divorced spouses, and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB) (continued)

PERA Benefit Structure: The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older, or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit with a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B, and the difference in premium cost is paid by the HCTF or DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions: Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employees of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member, and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$2,428 and \$1,660, for the year ended December 31, 2022 and 2021, respectively.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2022 and 2021, the District reported a liability of \$13,659 and \$19,833, respectively, for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2021. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the District's proportion was 0.00158 percent, which was a decrease of 0.00051 from its proportion measured as of December 31, 2020.

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB) (continued)

For the year ended December 31, 2022, the District recognized OPEB income of \$7,838 and \$2,308. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ 21	\$ 3,239
Changes in assumptions or other inputs	282	741
Contributions subsequent to the measurement date	1,660	845
Total	\$ 1,963	\$ 4,825

The \$1,660 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB income as follows for the years ending December 31:

	December 31st,
2023	\$ 1,325
2024	1,247
2025	599
2026	121
2027	17
	\$ 3,309

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB) (continued)

Actuarial Assumptions: The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial Cost Method	Entry age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, including Wage Inflation	3.20%-11.30%
Long-Term Investment Rate of Return, Net of OPEB	
Plan Investment Expenses, including Price Inflation	7.25%
Discount Rate	7.25%

Health Care Cost Trend Rates

PERA Benefit Structure:

Service-Based Premium Subsidy	0.00%
PERACare Medicare Plans	4.50% in 2021, 6.00% in 2022, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.75% for 2021, gradually increasing to 4.50% in 2029

DPS Benefit Structure:

Service-Based Premium Subsidy	0.00%
PERACare Medicare Plans	N/A
Medicare Part A Premiums	N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums (actual dollars) are assumed for 2020 for the PERA Benefit Structure:

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB) (continued)

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A	Monthly Cost Adjusted to Age 65
Self-Funded Medicare Supplement Plans	\$ 633	\$ 230	\$ 591
Kaiser Permanente Medicare Advantage HMO	\$ 596	\$ 199	\$ 562

The 2021 Medicare Part A premium is \$471 (actual dollars) per month.

All costs are subject to the health care costs trends rates as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB) (continued)

Mortality assumptions used in the December 31, 2020 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF but developed using a head count weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the Trust Fund:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2020.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a lo-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB) (continued)

As of the most recent affirmation of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global equity	54.00%	5.60%
Fixed income	23.00%	1.30%
Private equity	8.50%	7.10%
Real estate	8.50%	4.40%
Alternatives	6.00%	4.70%
	100.00%	\$ -

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates: The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% increase in Trend Rates
Initial PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Unlimited PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 13,267	\$ 13,660	\$ 14,114

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB) (continued)

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the 2020 rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% increase in Trend Rates
Initial PERACare Medicare Trend Rate	7.10%	8.10%	9.10%
Unlimited PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 19,320	\$ 19,833	\$ 20,429

Discount Rate: The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent of OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Monument Sanitation District

Notes to the Financial Statements

Note 10 - Other Post-Employment Benefits (OPEB) (continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following present the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 15,864	\$ 13,660	\$ 11,777

The following present the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the 2020 rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 19,320	\$ 19,833	\$ 20,429

OPEB Plan Fiduciary Net Position: Detailed information about the HCTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Note 11 - Related Party Transactions

For the years ended December 31, 2022 and 2021, the District received \$3,600 of rental income each year from a company owned by a member of the Board of Directors. Additionally, for the years ended December 31, 2022 and 2021, the District paid \$4,546 and \$4,743, respectively, for broadband related services to a company who is owned by a member of the Board of Directors.

Supplemental Information

Monument Sanitation District

Schedule of Revenues, Expenses, and Changes in Net Position - Budget to Actual - Proprietary Fund

<i>Year Ended December 31, 2022</i>	Budget	Actual	Variance Favorable (Unfavorable)
Revenue			
User fees	\$ 784,000	\$ 867,702	\$ 83,702
Conference room rental income	2,520	2,709	189
Interest income	500	53,883	53,383
Other revenue	13,000	64,629	51,629
Rental income	27,600	27,600	-
Tap fees	500,000	1,911,429	1,411,429
Total Revenue	1,327,620	2,927,952	1,600,332
Expenditures			
Loan Expense			
Interest expense	9,000	8,664	336
Revenue loan payment	30,000	30,000	-
Total Loan Expense	39,000	38,664	336
Administration:			
Accounting	16,300	14,900	1,400
Auditing	17,500	12,000	5,500
Advertising and promotion	1,000	703	297
Bank charges	300	246	54
Board expense	-	-	-
Business meals	500	911	(411)
Dues and subscriptions	4,300	5,510	(1,210)
Election expense	2,000	-	2,000
Engineering fees	25,000	18,234	6,766
IT Support	3,600	4,316	(716)
Insurance expense	17,000	17,861	(861)
Janitorial	6,650	6,600	50
Legal fees	20,000	23,123	(3,123)
Licenses and fees	500	-	500
Office equipment repairs	5,300	2,316	2,984
Office Supplies	8,000	6,437	1,563
Postage and meter rental	15,000	12,024	2,976
Professional fees	2,000	2,706	(706)
Publishing	500	278	222
Recording and reporting	500	(502)	1,002
Rent - storage	5,500	4,038	1,462
Telephone	7,200	5,932	1,268
Tools and equipment	3,000	5,881	(2,881)
Travel and lodging - board	2,000	-	2,000
UNCC plant operations	6,500	4,320	2,180
Workshops and conferences	2,000	1,191	809
Total Administration Expenses	172,150	149,025	23,461

Monument Sanitation District

Schedule of Revenues, Expenses, and Changes in Net Position - Budget to Actual - Proprietary Fund (continued)

<i>Year Ended December 31, 2021</i>	Budget	Actual	Variance Favorable (Unfavorable)
Public Works:			
Joint use fees	\$ 270,000	\$ 234,780	\$ 35,220
Repairs and maintenance	70,000	70,709	(709)
SCADA	18,000	1,305	16,695
Sludge removal	55,000	28,028	26,972
Trails End lift station utilities	13,000	6,100	6,900
Total Public Works Expenses	426,000	340,922	85,078
Employee Expenses:			
Health insurance	21,000	29,687	(8,687)
Payroll taxes	3,190	3,795	(605)
Pension contributions	31,284	31,657	(373)
Salaries and wages	210,000	238,068	(28,068)
Travel and lodging - employees	2,500	794	1,706
Workers compensation	3,000	1,849	1,151
Total Employee Expenses	270,974	305,850	(34,876)
Building Expenses:			
Repairs and maintenance	40,000	24,548	15,452
Utilities and trash	9,700	9,555	145
Total Building Expenses	49,700	34,103	15,597
Miscellaneous Expenses:			
New equipment, furniture, and fixtures	5,000	-	5,000
Truck and fuel maintenance	4,000	3,084	916
NMCI design cost allocation	168,000	-	168,000
Total Miscellaneous Expenses	177,000	3,084	173,916
Capital Improvements Expenses:			
Capital Improvements-District	100,000	-	100,000
Total Capital Improvements Expenses	100,000	-	100,000
Other Expenses:			
Contingency	100,000	-	100,000
Total Other Expenses	100,000	-	100,000
Total Expenditures	1,334,824	871,648	463,512
Revenue Over (Under) Expenditures	(7,204)	2,056,304	1,136,820
Increase (Decrease) to Reconcile Budgetary Basis to GAAP Basis			
Revenue loan payment		30,000	
Increase in pension and OPEB liabilities		121,933	
New equipment, furniture, and fixtures		-	
Depreciation expense		(251,712)	251,712
Loss from joint use facility		(70,748)	70,748
Increase (Decrease) in Net Position	\$ (7,204)	\$ 1,885,777	\$ 1,459,280

Monument Sanitation District

Schedule of the District's Proportionate Share of the Net Pension Liability - Proprietary Fund

<i>As of and For the Year Ended</i> <i>December 31</i>	2022	2021	2020	2019	2018
District's proportionate share of the Net Pension Liability	0.020481%	0.272580%	0.031930%	0.028360%	0.038454%
District's proportionate share of the Net Pension Liability (Asset)	\$ (17)	\$ 142,049	\$ 233,535	\$ 356,549	\$ 428,159
District's covered payroll	\$ 238,068	\$ 162,787	\$ 325,091	\$ 229,515	\$ 192,771
District's proportionate share of the Net Pension Liability as a percent of its covered payroll	0%	87%	72%	155%	216%
Plan fiduciary net position as a as a percentage of the total pension liability	101.49%	90.88%	86.26%	76.00%	79.37%

Monument Sanitation District
Schedule of the District's Required Contributions -
Proprietary Fund

<i>As of and For the Year Ended</i> <i>December 31</i>	2022	2021	2020	2019	2018
Contractually required contribution	\$ 29,229	\$ 20,242	\$ 27,882	\$ 23,586	\$ 23,727
Contributions in relation to the contractually required contribution	\$ (29,229)	\$ (20,242)	\$ (27,882)	\$ (23,586)	\$ (23,727)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 238,068	\$ 162,787	\$ 325,091	\$ 229,515	\$ 192,771
Contribution as a percentage of covered payroll	12.28%	12.43%	8.58%	10.28%	12.31%

Monument Sanitation District

Schedule of the District's Proportionate Share of the Net OPEB Liability - Proprietary Fund

<i>As of and For the Year Ended December 31</i>	2022	2021
District's proportionate share of the Net Pension Liability	0.001584%	0.000245%
District's proportionate share of the Net Pension Liability	\$ 13,660	\$ 19,833
District's covered payroll	\$ 238,068	\$ 162,787
District's proportionate share of the Net OPEB Liability as a percent of its covered payroll	6%	12%
Plan fiduciary net position as a as a percentage of the total pension liability	39.40%	32.78%

Monument Sanitation District

Schedule of the District's OPEB Required Contributions - Health Care Trust Fund - Proprietary Fund

<i>As of and For the Year Ended December 31</i>	2022	2021
Contractually required contribution	\$ 2,428	\$ 1,661
Contributions in relation to the contractually required contribution	\$ (2,428)	\$ (1,661)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered payroll	\$ 238,068	\$ 162,787
Contribution as a percentage of covered payroll	1.02%	1.02%