

**ALAMEDA WATER & SANITATION DISTRICT**

**Jefferson County, Colorado**

**FINANCIAL STATEMENTS**

**With Independent Auditor's Report**

**December 31, 2022 and 2021**

**ALAMEDA WATER & SANITATION DISTRICT**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Alameda Water and Sanitation District  
Jefferson County, Colorado

### ***Opinions***

We have audited the accompanying financial statements of Alameda Water and Sanitation District (the District), as of and for the year ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2022 and 2021, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

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

### ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, we

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages IV through VIII be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we

obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplemental Information***

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

*Fiscal Focus Partners, LLC*

Arvada, Colorado  
June 2, 2023

## **Alameda Water and Sanitation District MANAGEMENT'S DISCUSSION AND ANALYSIS**

The discussion and analysis of Alameda Water and Sanitation District's financial performance provides an overall review of the District's financial activities for the year ended December 31, 2022. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the basic financial statements and the notes to financial statements to enhance their understanding of the District's financial performance.

### **Financial Highlights**

- Total assets of the District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$12,119,554 (net position). Of this amount, \$6,082,532 (unrestricted net position) may be used to meet the government's ongoing obligations to its citizens and creditors.
- The District's total net position increased by \$1,220,941 from the prior fiscal year.
- The District collected \$1,845,554 in operating revenue, a decrease of \$38,034, or 2%, from the prior year.
- Operating expenses increased \$109,424, or 5.7%, from the prior year, due primarily to an increase in sewer treatment costs.

### **Overview of the Financial Statements**

The Alameda Water and Sanitation District basic financial statements included in this report are those of a special-purpose government engaged in a business-type activity, providing water and sewer services. The statements are comprised of two components: 1) basic financial statements and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

*Basic Financial Statements.* The basic 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 *Statements of Net Position* present information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between 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 *Statements of Revenues, Expenses and Changes in Net Position* present information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned compensation). The statement reports

**Alameda Water and Sanitation District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(continued)**

the District's operating and nonoperating revenue by source along with operating and nonoperating expenses and capital contributions.

The *Statements of Cash Flows* report the District's cash flows from operating activities, investing, capital and noncapital activities.

The *Notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

A budgetary comparison schedule has been provided in the *supplemental information* to demonstrate compliance with the budget.

**Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Alameda Water and Sanitation District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$12,119,554 at the close of the most recent fiscal year.

**Statement of Net Position**

	<b>2022</b>	<b>December 31, 2021</b>	<b>2020</b>
Current assets	\$ 12,429,377	\$ 12,289,123	\$ 10,429,264
Noncurrent assets	934,993	959,123	1,995,751
Capital assets	4,017,460	2,961,241	2,501,658
Total assets	<u>17,381,830</u>	<u>16,209,487</u>	<u>14,926,673</u>
Current liabilities	<u>293,244</u>	<u>183,903</u>	<u>177,039</u>
Long-term liabilities	<u>3,824,187</u>	<u>3,959,123</u>	<u>3,982,689</u>
Deferred inflows of resources	<u>1,144,845</u>	<u>1,167,848</u>	<u>1,060,402</u>
Net Position			
Net investment in capital assets	3,529,873	2,930,303	2,501,658
Restricted	2,507,149	3,004,062	3,035,000
Unrestricted	6,082,532	4,964,248	4,169,885
Net positon	<u>\$ 12,119,554</u>	<u>\$ 10,898,613</u>	<u>\$ 9,706,543</u>

- A portion of the District's net position (29%) reflects its investment in capital assets (e.g. infrastructure, plant, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently these assets are *not* available for future spending.

**Alameda Water and Sanitation District**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(continued)

- Restricted net position consists of \$2,507,149. Of that amount, \$2,469,149 is restricted for capital improvements and \$38,000 is restricted for emergencies under TABOR; the remaining net position of \$6,082,532 is unrestricted and available for on-going obligations of the District.

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>OPERATING REVENUES</b>			
Water operations	\$ 764,969	\$ 692,701	\$ 689,707
Sewer operations	1,080,585	1,190,887	1,138,882
<b>Total operating revenues</b>	<u>1,845,554</u>	<u>1,883,588</u>	<u>1,828,589</u>
<b>OPERATING EXPENSES</b>			
Water operations - administrative	368,256	374,818	408,634
Water operations - maintenance	18,516	15,433	40,175
Sewer operations - administrative	1,207,950	1,090,592	929,455
Sewer operations - maintenance	217,734	222,258	221,984
General and administrative expenses	72,264	75,100	99,830
Depreciation	142,242	139,337	139,134
<b>Total operating expenses</b>	<u>2,026,962</u>	<u>1,917,538</u>	<u>1,839,212</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(181,408)</u>	<u>(33,950)</u>	<u>(10,623)</u>
<b>NONOPERATING REVENUES</b>			
Property taxes	1,216,577	1,100,302	1,117,817
Specific ownership taxes	86,522	87,761	85,789
Net investment income	162,601	24,216	68,985
Rent income and miscellaneous	33,000	30,000	30,000
Interest expense	(78,355)	-	-
<b>Total nonoperating revenues</b>	<u>1,420,345</u>	<u>1,242,279</u>	<u>1,302,591</u>
<b>NONOPERATING EXPENSES</b>			
County Treasurer fees	(17,996)	(16,259)	(16,475)
<b>Total nonoperating expenses</b>	<u>(17,996)</u>	<u>(16,259)</u>	<u>(16,475)</u>
<b>CHANGE IN NET POSITION</b>	1,220,941	1,192,070	1,275,494
<b>NET POSITION - beginning of the year</b>	<u>10,898,613</u>	<u>9,706,543</u>	<u>8,431,049</u>
<b>NET POSITION - end of the year</b>	<u>\$ 12,119,554</u>	<u>\$ 10,898,613</u>	<u>\$ 9,706,543</u>

**Alameda Water and Sanitation District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(continued)**

**Budgetary Highlights**

The District prepares its budget on the modified accrual basis of accounting to recognize the fiscal impact of capital outlay and debt repayment in addition to operations and nonoperating revenue and expenses and contributions. Depreciation is not reflected in the budget since it does not affect funds available. Funds available increased \$136,229 during 2022.

**Capital Assets**

The District's net investment in capital assets as of December 31, 2022, 2021 and 2020 is as follows:

	<b>December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Capital assets not being depreciated			
Water lines	\$ 2,292,425	\$ 1,178,011	\$ 716,539
Sewer lines	-	-	196
Total	<u>2,292,425</u>	<u>1,178,011</u>	<u>716,735</u>
Capital assets being depreciated			
Water lines	\$ 1,623,582	\$ 1,623,582	\$ 1,508,068
Sewer lines	3,487,031	3,429,709	3,419,321
Equipment	49,812	48,744	48,744
Building and improvements	374,196	348,539	336,797
Total	<u>5,534,621</u>	<u>5,450,574</u>	<u>5,312,930</u>
Less accumulated depreciation	<u>(3,809,586)</u>	<u>(3,667,344)</u>	<u>(3,528,007)</u>
Total capital assets			
being depreciated, net	<u>\$ 1,725,035</u>	<u>\$ 1,783,230</u>	<u>\$ 1,784,923</u>
Capital assets, net	<u><u>\$ 4,017,460</u></u>	<u><u>\$ 2,961,241</u></u>	<u><u>\$ 2,501,658</u></u>

Additional information relating to the District's capital assets activity can be found in Note 4 of this report.

**Debt Administration**

In 2020, the Sewer Enterprise loaned \$1,000,000 to the Water Enterprise to assist in paying for construction for new water infrastructure. The loan is a 30 year term with 2.372% interest rate. Total repayment to the Sewer Enterprise, including interest, is \$1,398,593.

The District entered into a CWRPDA loan on December 23, 2020 for \$3,000,000. The loan is for 30 years at an interest rate of 2.5%. The purpose of the loan is to replace deteriorating water lines in the District. The capital project is currently in process.

Additional information relating to the District's long-term debt can be found in Note 5 of this report.

**Alameda Water and Sanitation District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(continued)**

**Economic Factors and Next Year's Budget**

- Minimal growth in the District is expected in 2022.
- The District has budgeted for 2023 construction and/or rehabilitation projects to water and sewer lines in the amount of \$3,698,000.

**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 requests for additional financial information should be addressed to:

District Manager  
Alameda Water and Sanitation District  
359 South Harlan Street  
Lakewood, Colorado, 80226

## **BASIC FINANCIAL STATEMENTS**

**ALAMEDA WATER & SANITATION DISTRICT**

**STATEMENTS OF NET POSITION**

December 31, 2022 and 2021

	Water Enterprise		Sewer Enterprise		District Total	
	2022	2021	2022	2021	2022	2021
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 104,015	\$ 240,604	\$ 131,028	\$ 36,001	\$ 235,043	\$ 276,605
Cash and cash equivalents - restricted	1,000	1,000	37,000	34,000	38,000	35,000
Investments	1,338,731	1,569,650	6,114,994	5,274,494	7,453,725	6,844,144
Cash in project account - restricted	2,472,149	2,969,062	-	-	2,472,149	2,969,062
Accounts receivable - users	32,170	39,511	1,033,539	936,710	1,065,709	976,221
Accrued interest receivable	-	-	-	500	-	500
Property taxes receivable	-	-	1,150,619	1,173,460	1,150,619	1,173,460
Prepaid expenses	-	-	14,132	14,131	14,132	14,131
<b>Total current assets</b>	<b>3,948,065</b>	<b>4,819,827</b>	<b>8,481,312</b>	<b>7,469,296</b>	<b>12,429,377</b>	<b>12,289,123</b>
<b>Noncurrent assets</b>						
Notes receivable from water enterprise	-	-	934,993	959,123	934,993	959,123
<b>Total noncurrent assets</b>	<b>-</b>	<b>-</b>	<b>934,993</b>	<b>959,123</b>	<b>934,993</b>	<b>959,123</b>
<b>Capital assets, net of depreciation</b>	<b>2,984,725</b>	<b>1,926,237</b>	<b>1,032,735</b>	<b>1,035,004</b>	<b>4,017,460</b>	<b>2,961,241</b>
<b>Total assets</b>	<b>6,932,790</b>	<b>6,746,064</b>	<b>10,449,040</b>	<b>9,463,423</b>	<b>17,381,830</b>	<b>16,209,487</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Accounts payable	29,473	36,518	177,193	134,295	206,666	170,813
Accrued interest payable	12,186	-	-	-	12,186	-
Current portion of long-term debt	70,542	-	-	-	70,542	-
Tap fee and rent deposits	-	-	3,850	13,090	3,850	13,090
<b>Total current liabilities</b>	<b>112,201</b>	<b>36,518</b>	<b>181,043</b>	<b>147,385</b>	<b>293,244</b>	<b>183,903</b>
<b>Long-term liabilities</b>						
Notes payable to sewer enterprise	934,993	959,123	-	-	934,993	959,123
Note payable to CWRPDA	2,889,194	3,000,000	-	-	2,889,194	3,000,000
	<b>3,824,187</b>	<b>3,959,123</b>	<b>-</b>	<b>-</b>	<b>3,824,187</b>	<b>3,959,123</b>
<b>Total liabilities</b>	<b>3,936,388</b>	<b>3,995,641</b>	<b>181,043</b>	<b>147,385</b>	<b>4,117,431</b>	<b>4,143,026</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred property tax	-	-	1,144,845	1,167,848	1,144,845	1,167,848
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>1,144,845</b>	<b>1,167,848</b>	<b>1,144,845</b>	<b>1,167,848</b>
<b>NET POSITION</b>						
Net investment in capital assets	2,497,138	1,895,299	1,032,735	1,035,004	3,529,873	2,930,303
Restricted	2,473,149	2,970,062	34,000	34,000	2,507,149	3,004,062
Unrestricted	(1,973,885)	(2,114,938)	8,056,417	7,079,186	6,082,532	4,964,248
<b>Total net position</b>	<b>\$ 2,996,402</b>	<b>\$ 2,750,423</b>	<b>\$ 9,123,152</b>	<b>\$ 8,148,190</b>	<b>\$ 12,119,554</b>	<b>\$ 10,898,613</b>

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**ALAMEDA WATER & SANITATION DISTRICT**  
**STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION**  
For the Years Ended December 31, 2022 and 2021

	Water Enterprise		Sewer Enterprise		District Total	
	2022	2021	2022	2021	2022	2021
<b>OPERATING REVENUES</b>						
Water operations	\$ 764,969	\$ 692,701	\$ -	\$ -	\$ 764,969	\$ 692,701
Sewer operations	-	-	1,080,585	949,387	1,080,585	949,387
Sewer tap fees	-	-	-	241,500	-	241,500
<b>Total operating revenues</b>	764,969	692,701	1,080,585	1,190,887	1,845,554	1,883,588
<b>OPERATING EXPENSES</b>						
Water operations - administrative	368,256	374,818	-	-	368,256	374,818
Water operations - maintenance	18,516	15,433	-	-	18,516	15,433
Sewer operations - administrative	-	-	1,207,950	1,090,592	1,207,950	1,090,592
Sewer operations - maintenance	-	-	217,734	222,258	217,734	222,258
General and administrative expenses	23,231	37,550	49,033	37,550	72,264	75,100
Depreciation	55,926	57,821	86,316	81,516	142,242	139,337
<b>Total operating expenses</b>	465,929	485,622	1,561,033	1,431,916	2,026,962	1,917,538
<b>OPERATING INCOME (LOSS)</b>	299,040	207,079	(480,448)	(241,029)	(181,408)	(33,950)
<b>NONOPERATING REVENUES (EXPENSE)</b>						
Property taxes	-	-	1,216,577	1,100,302	1,216,577	1,100,302
Specific ownership taxes	-	-	86,522	87,761	86,522	87,761
Net investment income	25,294	1,140	137,307	23,076	162,601	24,216
Rent income and miscellaneous	-	-	33,000	30,000	33,000	30,000
Interest expense	(78,355)	-	-	-	(78,355)	-
<b>Total nonoperating revenues</b>	(53,061)	1,140	1,473,406	1,241,139	1,420,345	1,242,279
<b>NONOPERATING EXPENSES</b>						
County Treasurer fees	-	-	(17,996)	(16,259)	(17,996)	(16,259)
<b>Total nonoperating expenses</b>	-	-	(17,996)	(16,259)	(17,996)	(16,259)
<b>CHANGE IN NET POSITION</b>	245,979	208,219	974,962	983,851	1,220,941	1,192,070
<b>NET POSITION - beginning of the year</b>	2,750,423	2,542,204	8,148,190	7,164,339	10,898,613	9,706,543
<b>NET POSITION - end of the year</b>	\$ 2,996,402	\$ 2,750,423	\$ 9,123,152	\$ 8,148,190	\$ 12,119,554	\$ 10,898,613

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**ALAMEDA WATER & SANITATION DISTRICT**  
**STATEMENTS OF CASH FLOWS**  
For the Years ended December 31, 2022 and 2021

	Water Enterprise		Sewer Enterprise		District Total	
	2022	2021	2022	2021	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from customers	\$ 772,310	\$ 699,142	\$ 974,516	\$ 1,034,843	\$ 1,746,826	\$ 1,733,985
Payments to suppliers for goods and services	(430,555)	(431,353)	(1,326,370)	(1,235,659)	(1,756,925)	(1,667,012)
Payments to and on behalf of employees for services	-	-	(103,875)	(98,625)	(103,875)	(98,625)
<b>Net cash provided (used) by operating activities</b>	<u>341,755</u>	<u>267,789</u>	<u>(455,729)</u>	<u>(299,441)</u>	<u>(113,974)</u>	<u>(31,652)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Property taxes	-	-	1,216,577	1,100,302	1,216,577	1,100,302
Specific ownership taxes	-	-	86,522	87,761	86,522	87,761
Other income	-	-	33,000	30,000	33,000	30,000
County Treasurer's fees	-	-	(17,996)	(16,259)	(17,996)	(16,259)
<b>Net cash provided (used) by noncapital financing activities</b>	<u>-</u>	<u>-</u>	<u>1,318,103</u>	<u>1,201,804</u>	<u>1,318,103</u>	<u>1,201,804</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Payments on long-term debt	(40,264)	-	-	-	(40,264)	-
Proceeds from (payments of) interfund loans	(24,130)	(23,566)	24,130	23,566	-	-
Acquisition of capital assets	(1,123,396)	(576,986)	(63,295)	(25,690)	(1,186,691)	(602,676)
Interest paid on debt	(43,680)	-	-	-	(43,680)	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u>(1,231,470)</u>	<u>(600,552)</u>	<u>(39,165)</u>	<u>(2,124)</u>	<u>(1,270,635)</u>	<u>(602,676)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Net (increase) decrease in investment principal	230,919	229,561	(840,500)	(1,056,808)	(609,581)	(827,247)
Interest earnings received	25,294	1,139	115,318	29,608	140,612	30,747
<b>Net cash provided (used) by investing activities</b>	<u>256,213</u>	<u>230,700</u>	<u>(725,182)</u>	<u>(1,027,200)</u>	<u>(468,969)</u>	<u>(796,500)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(633,502)</u>	<u>(102,063)</u>	<u>98,027</u>	<u>(126,961)</u>	<u>(535,475)</u>	<u>(229,024)</u>
<b>CASH AND CASH EQUIVALENTS - beginning of year</b>	<u>3,210,666</u>	<u>3,312,729</u>	<u>70,001</u>	<u>196,962</u>	<u>3,280,667</u>	<u>3,509,691</u>
<b>CASH AND CASH EQUIVALENTS - end of year</b>	<u>\$ 2,577,164</u>	<u>\$ 3,210,666</u>	<u>\$ 168,028</u>	<u>\$ 70,001</u>	<u>\$ 2,745,192</u>	<u>\$ 3,280,667</u>

(continued)

The accompanying Notes to the Financial Statements are an integral part of these statements.

**ALAMEDA WATER & SANITATION DISTRICT**  
**STATEMENTS OF CASH FLOWS**  
(continued)  
For the Years Ended December 31, 2022 and 2021

	<u>Water Enterprise</u>		<u>Sewer Enterprise</u>		<u>District Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO</b>						
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Operating income (loss)	\$ 299,040	\$ 207,079	\$ (480,448)	\$ (241,029)	\$ (181,408)	\$ (33,950)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation	55,926	57,821	86,316	81,516	142,242	139,337
Changes in assets and liabilities:						
(Increase) decrease in:						
Accounts receivable	7,341	6,441	(96,829)	(156,044)	(89,488)	(149,603)
Increase (decrease) in:						
Accounts payable for operations	(20,552)	(3,552)	44,472	16,116	23,920	12,564
Tap fee and rent deposits	-	-	(9,240)	-	(9,240)	-
Total adjustments	<u>42,715</u>	<u>60,710</u>	<u>24,719</u>	<u>(58,412)</u>	<u>67,434</u>	<u>2,298</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ 341,755</u>	<u>\$ 267,789</u>	<u>\$ (455,729)</u>	<u>\$ (299,441)</u>	<u>\$ (113,974)</u>	<u>\$ (31,652)</u>

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

## **Alameda Water and Sanitation District**

### **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2022 and 2021**

#### **Note 1 – Definition of reporting entity**

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Jefferson County, Colorado. The District was organized to provide water and sanitation services to property within the District's boundaries.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The District is comprised of a Water Enterprise and a Sewer Enterprise.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

#### **Note 2 – Summary of significant accounting policies**

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

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.

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

#### **Basis of Accounting**

The District's financial statements are reported using the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and payments on loans are recorded as reductions in liabilities. Tap fees and contributed assets from developers are recorded as capital contributions when received or collectible.

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

**Operating revenues and expenses**

The District distinguishes between operating revenues and expenses from nonoperating items in the Statements of Revenues, Expenses and Changes in Net Position. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's purpose of providing water and sewer services to its customers. Operating revenues consist of charges to customers for service provided. Operating expenses include the cost of service, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

**Cash equivalents**

For purposes of the Statements of Cash Flows, the District considers cash deposits and highly liquid investments with original maturities of three months or less from the date of acquisition, to be cash equivalents.

**Investments**

Investments for the District are reported at fair value.

**Accounts receivable, allowance for doubtful accounts**

User fees and tap fees constitute a perpetual lien on or against property served until paid. Such liens may be foreclosed upon as provided by the State of Colorado. Therefore, the District considers all receivables collectible and no provision for uncollectible revenues has been made in the financial statements.

**Property Taxes**

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

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

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

**Capital assets**

Capital assets include land, water rights, water and sewer plants and systems, equipment and vehicles. Capital assets are defined by the District as those assets with an initial, individual cost of \$5,000 or greater and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation or at the developer's cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Interest incurred during the construction phase of capital assets is not included as part of the capitalized value of the assets constructed.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Sewer lines	20 to 40 years
Water lines	30 years
Building	30 years
Office and other equipment	5 to 7 years

**Compensated absences**

Compensated absences do not accumulate; therefore the District does not record a liability for unpaid vacation or sick pay.

**Capital contributions**

Tap fees are generally recorded as capital contributions when received. Water and sewer lines contributed to the District by developers are recorded as capital contributions and additions to the water and sewer system when received.

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The total appropriation can only be modified upon completion of notification and publication requirements.

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

**Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that District management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Note 3 – Cash and investments**

Cash and investments are reflected on the December 31, 2022 and 2021 Statements of Net Position as follows:

	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 2,745,192	\$ 3,280,667
Investments	7,453,725	6,844,144
	<u>\$ 10,198,917</u>	<u>\$ 10,124,811</u>

Cash and investments as of December 31, 2022 and 2021 consist of the following:

Cash on hand	\$ 25	\$ 25
Deposits with financial institutions	273,018	311,580
Cash held by other agencies	2,472,149	2,969,062
Investments	7,453,725	6,844,144
Total cash and investments	<u>\$ 10,198,917</u>	<u>\$ 10,124,811</u>

At December 31, 2022 and 2021, the District's cash deposits had bank balances of \$636,053 and \$356,563 with carrying balances of \$273,018 and \$311,580 respectively.

**Deposits with financial institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. As of December 31, 2022 and 2021, the federal insurance limits were \$250,000. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

## Alameda Water and Sanitation District

### NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2022 and 2021

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.

#### Custodial credit risk - deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has not adopted a deposit policy for custodial credit risk. As of December 31, 2022 and 2021, none of the District's bank balance was exposed to custodial credit risk, as amounts were either insured or collateralized. The District carried bank balances in excess of federally insured amounts of \$381,600 at December 31, 2022. All amounts not federally insured are fully collateralized as required under the PDPA.

#### **Investments**

The District's investment policy restricts investments to only those permitted by state statutes. Additionally, the District's policy is to hold investments until maturity.

The District primarily limits its investments to certain U.S. government agency securities, money market funds and local government investments pools, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to custodial credit risk for investments that are in the possession of another party.

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

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

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

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

**Fair Value Measurement and Application**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series); money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee); and CSAFE which record their investments at amortized cost.

As of December 31, 2022 and 2021, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>2022</u>	<u>2021</u>
Colorado Surplus Asset Fund (CSAFE)	Weighted average under 60 days	\$ 3,814,376	\$ 3,173,839
CSAFE Core	Weighted average under 180 days	3,639,349	3,670,305
Total investments		<u>\$ 7,453,725</u>	<u>\$ 6,844,144</u>

**CSAFE**

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) and CSAFE Core (CORE), which are investment vehicles established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAmmf by Fitch Ratings. There are no unfunded commitments; the redemption frequency is daily, and there is no redemption notice period. CORE authorized securities primarily include highly rated commercial paper and corporate bonds, bank deposits (collateralized through PDPA) and other Colorado LGIP funds inclusive of other funds offered by the Trust as allowed. CORE operates similarly to a money market fund and each share is equal in value to \$2.00. CORE measures all of its investments at amortized cost with a weighted average maturity of 180 days or less. CORE is rated AAaf/S1 by Fitch Ratings. There are no unfunded commitments; the redemption frequency is daily, and there is no redemption notice period.

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

**Restricted cash and investments**

The District had restricted cash of \$38,000 and \$35,000 for emergencies as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 7), as of December 31, 2022 and 2021, respectively. At December 31, 2022, the District had \$2,472,149 in a project fund account, held by Colorado Water Resources and Power Development Authority, restricted for capital improvements.

**Note 4 – Capital assets**

Capital asset activity for the year ended 2022 was as follows:

	Balance at December 31, 2021	Additions	Deletions	Balance at December 31, 2022
Construction in progress - water lines	\$ 1,178,011	\$ 1,114,414	\$ -	\$ 2,292,425
Construction in progress - sewer lines	-	-	-	-
Total capital assets, not being depreciated	<u>\$ 1,178,011</u>	<u>\$ 1,114,414</u>	<u>\$ -</u>	<u>\$ 2,292,425</u>
Capital assets being depreciated				
Water lines	\$ 1,623,582	\$ -	\$ -	\$ 1,623,582
Sewer lines	3,429,709	57,322	-	3,487,031
Equipment	48,744	1,068	-	49,812
Building and improvements	348,539	25,657	-	374,196
Total capital assets being depreciated	<u>5,450,574</u>	<u>84,047</u>	<u>-</u>	<u>5,534,621</u>
Less accumulated depreciations for				
Water lines	871,189	55,926	-	927,115
Sewer lines	2,529,064	73,732	-	2,602,796
Equipment	40,963	4,943	-	45,906
Building and improvements	226,128	7,641	-	233,769
Total accumulated depreciation	<u>3,667,344</u>	<u>142,242</u>	<u>-</u>	<u>3,809,586</u>
Total capital assets being depreciated, net	<u>\$ 1,783,230</u>	<u>\$ (58,195)</u>	<u>\$ -</u>	<u>\$ 1,725,035</u>
Capital assets, net	<u>\$ 2,961,241</u>	<u>\$ 1,056,219</u>	<u>\$ -</u>	<u>\$ 4,017,460</u>

Depreciation expense of \$142,242 and \$139,337 for the years ended December 31, 2022 and 2021, respectively, was charged to water and sewer operations.

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

**Note 5 – Long-term obligation**

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2022:

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022	Due Within One Year
Direct Borrowing:					
2020 Loan - CWRPDA	\$3,000,000	\$ -	\$ 40,264	\$2,959,736	\$70,542
Total long-term obligations	<u>\$3,000,000</u>	<u>\$ -</u>	<u>\$ 40,264</u>	<u>\$2,959,736</u>	<u>\$70,542</u>

**Loan – Colorado Water Resources and Development Authority (CWRPDA)**

The District obtained a loan from the CWRPDA, on December 23, 2020, in the amount of \$3,000,000. Proceeds of the loan are to fund improvements to the District's water mains and associated infrastructure (the Project). CWRPDA has deposited the unused amounts in a project fund on behalf of the District, upon which the District may draw amounts as needed for Project payments. The loan term is for 30 years with an annual interest rate of 2.5%. Payments are semi-annual on May 1st and November 1st. There is no penalty for prepayment of the loan. The District has committed to various covenants that must be maintained to avoid events of default. The most significant covenant is for the District to establish rates and fees in amounts sufficient to pay loan and operating requirements. In the event of a default, the lender has the option to seek court action requiring the District to take action to cure such default.

Required loan payments for each of the next five years, and five-year increments beyond that, are as follows:

	Principal	Interest	Total
2023	\$ 70,542	\$ 73,555	\$ 144,097
2024	72,317	71,781	144,098
2025	74,136	69,961	144,097
2026	76,001	68,096	144,097
2027	77,780	66,184	143,964
2028-2032	419,973	300,516	720,489
2033-2037	475,522	244,967	720,489
2038-2042	538,419	182,071	720,490
2043-2047	609,638	96,415	706,053
2048-2051	545,408	45,557	590,965
Total	<u>\$ 2,959,736</u>	<u>\$ 1,219,103</u>	<u>\$ 4,178,839</u>

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

**Inter-Enterprise Loan**

The Water Enterprise entered into a loan agreement with the Sewer Enterprise on February 12, 2020. The Sewer Enterprise agreed to loan the Water Enterprise \$1,000,000 to assist the Water Enterprise in paying construction of the new water mains. The interest rate is 2.372% per year for \$398,593 in total interest. The loan is to be repaid over 30 years. There is no penalty for prepayment. The total monthly loan payment from the Water Enterprise to the Sewer Enterprise is \$3,885.

At December 31, 2022, the District had no authorized but unissued indebtedness.

**Note 6 – Agreements**

**IGA with South Sheridan Water, Sanitary, Sewer, and Storm Drainage District (Sheridan)**

Several properties within the District's boundaries are connected to a sewer main owned and operated by Sheridan. The District maintains the sewer lines and charges user fees to the properties. Sheridan charges the District for sewer transmission and treatment services. The agreement automatically renews each year unless one Party gives written notice on or before October 1 of the year that renewal is to cease.

**IGA with Bancroft-Clover Water and Sanitation District (Bancroft).**

Several properties within the District's boundaries are connected to a sanitary sewer main that is owned and operated by Bancroft. Under this agreement, Bancroft accepts the sanitary sewer flows from the properties and is responsible for the transmission and treatment of such flows. The District maintains the sewer lines and charges user fees to the properties. Bancroft charges the District for sewer transmission and treatment services.

**Integrated System Distributor Agreement**

The District has an agreement with the City and County of Denver Board of Water Commissioners (Denver Water) whereby Denver Water provides treated water to the District's water delivery system. The District distributes water to system users and charges system user fees. Denver Water charges the District for water provided to the District. This agreement terminates on May 31, 2025 unless extended by mutual written agreement of both parties.

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

**Note 7 – Risk management**

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

The District is a member of the Colorado Special District Property and Liability Pool (the Pool) as of December 31, 2022. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, and public officials' liability and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**Note 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 as adjusted for allowable increases for inflation and local growth. Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenues in excess of the fiscal year spending limit must be refunded unless retention of such revenue has been approved by the voters.

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

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

**Alameda Water and Sanitation District**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2022 and 2021**

The District's voters authorized the District to collect, retain and expend all revenues derived from water and sewer rates, fees, tolls, and charges and tap fees, property taxes, state grants and all other sources during the year 2000 and each year thereafter notwithstanding the limitations of Article X, Section 20 of the Colorado Constitution provided that no property tax rate or mill levy shall be increased without voter approval.

**SUPPLEMENTAL INFORMATION**

**ALAMEDA WATER & SANITATION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND AVAILABLE - BUDGET AND ACTUAL**  
**BUDGETARY BASIS**  
**For the Year Ended December 31, 2022**

	Original Budget	Actual	Variance Favorable (Unfavorable)
<b>WATER ENTERPRISE:</b>			
<b>Revenues</b>			
Charges for services	\$ 683,000	\$ 764,969	\$ 81,969
Net investment income	24,000	25,294	1,294
Tap fees	15,000	-	(15,000)
Miscellaneous income	200	-	(200)
<b>Total revenues</b>	<u>722,200</u>	<u>790,263</u>	<u>68,063</u>
<b>Expenditures</b>			
Water purchases	382,000	364,919	17,081
Engineering	1,000	-	1,000
Capital outlay	1,300,000	1,123,396	176,604
Repairs, maintenance, and inspection	32,600	21,591	11,009
Legal	500	-	500
Interest	15,600	78,355	(62,755)
Miscellaneous	1,500	250	1,250
Office, telephone, utilities	1,000	12	988
Payment on long-term debt	31,012	40,264	(9,252)
Internal loan repayment	31,012	24,131	6,881
<b>Total expenditures</b>	<u>1,796,224</u>	<u>1,652,918</u>	<u>143,306</u>
<b>Excess (deficit) of revenues over (under) water enterprise expenditures</b>	<u>(1,074,024)</u>	<u>(862,655)</u>	<u>211,369</u>
<b>SEWER ENTERPRISE:</b>			
<b>Revenues</b>			
Charges for services	\$ 975,000	\$ 1,080,585	\$ 105,585
Net investment income	47,000	137,283	90,283
Tap fees	45,000	-	(45,000)
Miscellaneous income	35,000	33,000	(2,000)
Internal loan repayment	31,012	24,131	(6,881)
<b>Total revenues</b>	<u>1,133,012</u>	<u>1,274,999</u>	<u>141,987</u>
<b>Expenditures</b>			
Sewer treatment charges	905,000	1,005,740	(100,740)
Engineering	19,800	23,276	(3,476)
Capital outlay	1,500,000	63,295	1,436,705
Salaries, taxes and benefits	89,000	96,878	(7,878)
Repairs, maintenance, and inspection	303,000	266,315	36,685
Insurance	14,900	491	14,409
Legal	1,000	-	1,000
Miscellaneous	2,800	2,277	523
Office, telephone, utilities	24,400	30,707	(6,307)
<b>Total expenditures</b>	<u>2,859,900</u>	<u>1,488,979</u>	<u>1,370,921</u>
<b>Excess (deficit) of revenues over (under) sewer enterprise expenditures</b>	<u>(1,726,888)</u>	<u>(213,980)</u>	<u>1,512,908</u>
<b>Other financing sources (uses)</b>			
Transfer from general fund	1,213,764	1,209,000	(4,764)
<b>Total other financing sources (uses)</b>	<u>1,213,764</u>	<u>1,209,000</u>	<u>(4,764)</u>
<b>Excess (deficit) of revenues over (under) sewer enterprise expenditures and other financing sources (uses)</b>	<u>(513,124)</u>	<u>995,020</u>	<u>1,508,144</u>
<b>GENERAL GOVERNMENT:</b>			
<b>Revenues</b>			
Property taxes	1,167,848	1,216,577	48,729
Specific ownership taxes	87,000	86,522	(478)
Net investment income	375	24	(351)
<b>Total revenues</b>	<u>1,255,223</u>	<u>1,303,123</u>	<u>47,900</u>
<b>Expenditures</b>			
County Treasurer's fees	17,661	17,996	(335)
Directors fees	7,200	6,500	700
Legal	2,200	2,740	(540)
Elections and publications	1,200	2,277	(1,077)
Accounting and audit	11,500	7,500	4,000
Taxes and benefits	600	496	104
Miscellaneous	1,500	2,252	(752)
Office, telephone, utilities	400	-	400
Payment for services	-	50,498	(50,498)
Emergency reserve	(802)	-	(802)
<b>Total expenditures</b>	<u>41,459</u>	<u>90,259</u>	<u>(48,800)</u>
<b>Excess (deficit) of revenues over (under) general government expenditures</b>	<u>1,213,764</u>	<u>1,212,864</u>	<u>(900)</u>
<b>Other financing sources (uses)</b>			
Transfer to enterprise fund	(1,213,764)	(1,209,000)	4,764
<b>Total other financing sources (uses)</b>	<u>(1,213,764)</u>	<u>(1,209,000)</u>	<u>4,764</u>
<b>Excess (deficit) of revenues over (under) enterprise expenditures and other financing sources (uses)</b>	<u>-</u>	<u>3,864</u>	<u>3,864</u>
<b>Total district revenues</b>	<u>4,324,199</u>	<u>4,577,385</u>	<u>253,186</u>
<b>Total district expenditures</b>	<u>5,911,347</u>	<u>4,441,156</u>	<u>1,470,191</u>
<b>Total excess (deficit) of revenues over (under) expenditures</b>	<u>(1,587,148)</u>	<u>136,229</u>	<u>\$ 1,723,377</u>
<b>Funds available - beginning of year</b>	<u>10,714,016</u>	<u>6,366,049</u>	
<b>Funds available - end of year</b>	<u>\$ 9,126,868</u>	<u>\$ 6,502,278</u>	

**ALAMEDA WATER & SANITATION DISTRICT**  
**RECONCILIATION OF ACTUAL (BUDGETARY BASIS) TO STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET POSITION**

**For the Year Ended For the Year Ended December 31, 2022**

Revenues (budgetary basis)	\$ 4,577,385
Intradistrict loan principal	(24,131)
Intradistrict budgetary transfers	<u>(1,209,000)</u>
Total revenues per Statement of Revenues, Expenses and Changes in Net Position	<u>3,344,254</u>
Expenditures (budgetary basis)	4,441,156
Depreciation and amortization	142,242
Capital outlay	(1,186,691)
Principal paid on long-term debt	(40,264)
Intradistrict loan principal	(24,130)
Intradistrict budgetary transfers	<u>(1,209,000)</u>
Total expenses per Statement of Revenues, Expenses and Changes in Net Position	<u>2,123,313</u>
Change in net position per Statement of Revenues, Expenses and Changes in Net Position	<u><u>\$ 1,220,941</u></u>