

**Winter Park Water and Sanitation District
Grand County, Colorado**

FINANCIAL STATEMENTS

With Independent Auditor's Report

December 31, 2023 and 2022

Winter Park Water and Sanitation District

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December 31, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Winter Park Water and Sanitation District
Grand County, Colorado

Opinions

We have audited the accompanying financial statements of Winter Park Water and Sanitation District (the District), as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows 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 IX 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
July 19, 2024

Winter Park Water and Sanitation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2023

The discussion and analysis of Winter Park Water and Sanitation District's financial performance provides an overall review of the District's financial activities for the year ended December 31, 2023. 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

- Assets of the District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$29,177,615 (net position). Of this amount, \$19,287,917 (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 \$1,002,776 over the prior fiscal year, primarily due to net income on investments of \$770,316 (of which approximately \$122,000 was unrealized at December 31, 2023).
- Service revenues increased by 10.8% from the prior year. The District collected \$158,335 more in water and sewer service fees in 2023 due to a combination of a 4% general rate increase and additional service billings for new development in the District.
- Operating expenses were relatively consistent with those of the prior year.
- Revenues from tap fees decreased \$2,377,107 from the prior year due to completion of most new construction within the District's service area.
- The District invested \$404,477 in infrastructure, plant and equipment.
- The District recorded unrecognized losses on certain fixed-rate investments totaling \$258,966 resulting from increases in interest rates during the year, which led to market value declines.

Overview of the Financial Statements

The Winter Park 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 wastewater 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 *Statement of Net Position* presents information on all of the District's assets and liabilities and deferred inflows of resources, with the difference reported as net position.

Winter Park Water and Sanitation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2023
(continued)

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned compensation). The statement reports the District's operating and nonoperating revenue by source along with operating and nonoperating expenses.

The *Statement of Cash Flows* reports 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 statement 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 Winter Park Water and Sanitation District, assets exceeded liabilities and deferred inflows of resources by \$29,177,615 at the close of the most recent fiscal year.

Winter Park Water and Sanitation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2023
(continued)

Statements of Net Positon

	December 31,		
	2023	2022	2021
Current assets	\$19,932,686	\$18,541,779	\$16,049,624
Capital assets	9,854,698	10,080,881	10,276,109
Other assets	13,551	13,551	13,551
Total assets	<u>29,800,935</u>	<u>28,636,211</u>	<u>26,339,284</u>
Current liabilities	104,846	90,970	169,688
Long-term liabilities	-	-	-
Total liabilities	<u>104,846</u>	<u>90,970</u>	<u>169,688</u>
Deferred inflow of resources	<u>518,474</u>	<u>370,402</u>	<u>451,248</u>
Net position:			
Net investment in			
capital assets	9,854,698	10,080,881	10,187,109
Restricted	35,000	56,100	62,700
Unrestricted	19,287,917	18,037,858	15,468,539
Net position	<u><u>\$29,177,615</u></u>	<u><u>\$28,174,839</u></u>	<u><u>\$25,718,348</u></u>

The District has 34 percent of its net position invested 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, this net position is *not* available for future spending.

Winter Park Water and Sanitation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2023
(continued)

Changes in Net Position

	For the Years Ended December 31,		
	2023	2022	2021
Revenues			
Operating revenue			
Water and sewer services	\$ 1,615,656	\$ 1,457,321	\$ 1,405,516
Reimbursements	-	-	244,651
Miscellaneous income	13,667	19,294	23,043
Nonoperating revenue			
Taxes	395,201	479,368	413,170
Net investment income (loss)	770,316	(89,024)	2,047
Capital contributions			
Tap fees	191,237	2,568,344	1,407,945
Total revenues	<u>2,986,077</u>	<u>4,435,303</u>	<u>3,496,372</u>
Expense			
Operating expenses			
Water operations	674,897	713,748	584,034
Sewer operations	659,178	606,346	556,878
Depreciation	630,658	633,954	469,253
Nonoperating expenses			
County Treasurer fees	18,568	22,539	19,205
Loan interest	-	2,225	6,575
Total expenses	<u>1983301</u>	<u>1978812</u>	<u>1635945</u>
Change in net position	1,002,776	2,456,491	1,860,427
Net position - beginning	28,174,839	25,718,348	23,857,921
Net position - ending	<u>\$ 29,177,615</u>	<u>\$ 28,174,839</u>	<u>\$ 25,718,348</u>

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 (current assets, exclusive of property taxes receivable, less current liabilities, exclusive of current portion of long-term debt) increased by \$1,106,735.

Growth in 2023 did not require water or wastewater treatment plant expansion. Tap fee revenues will be reserved for future capital projects.

Winter Park Water and Sanitation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2023
(continued)

Capital Assets

The District's net investment in capital assets as of December 31, 2023, 2022 and 2021 was as follows:

	Capital Assets		
	December 31,		
	2023	2022	2021
Land	\$ 105,793	\$ 105,793	\$ 105,793
Water rights	965,509	965,509	965,509
Construction in progress	56,008	-	2,292,087
Plant and improvements	11,780,297	11,778,164	11,339,438
Water storage tanks	2,488,302	2,488,304	2,488,304
Infrastructure	6,941,019	6,603,926	4,311,839
Vehicles	207,674	207,674	207,674
Equipment	452,106	442,863	442,863
Total assets	22,996,708	22,592,233	22,153,507
Accumulated depreciation	(13,142,010)	(12,511,352)	(11,877,399)
Net capital assets	<u>\$ 9,854,698</u>	<u>\$ 10,080,881</u>	<u>\$ 10,276,108</u>

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

The following is an analysis of the condition of District infrastructure:

- The water and wastewater system are in very good shape for the foreseeable future.
- The water treatment plant and distribution system have plenty of capacity for future growth.
- The District continues an aggressive maintenance program, and the condition of the water and wastewater infrastructure remains good.

Debt Administration

As of December 31, 2023, the District had no debt obligations. During 2022, all of the remaining general obligation bonded debt was retired.

Additional detail on the District's debt is in Note 5 of this report.

Winter Park Water and Sanitation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2023
(continued)

Economic Factors and Next Year's Budget

The District is anticipating moderate growth, with tap fee revenue at a normal level in 2024. Accordingly, tap fee revenue budgeted for 2024 is \$346,500. As always, the budget is created with Total Budgeted Revenue (less tap revenue) covering Budgeted Operation/Maintenance expenses.

The District's 2024 budget does not include any capital reimbursements pursuant to the agreement with Denver Water and Grand County.

Legal counsel and District staff continue to study and monitor water supply and water rights which are necessary to sustain our business of providing water and being able to meet future demand.

Capital project expenditures are prioritized based on 'growth' (projects necessary due to new customers coming on line) and 'district' (projects necessary to upgrade existing infrastructure for old and new customers). 'Growth' projects are done only if and when tap fee revenue is available.

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
Winter Park Water and Sanitation District
P.O. Box 7
Winter Park, Colorado 80482

BASIC FINANCIAL STATEMENTS

Winter Park Water and Sanitation District
STATEMENTS OF NET POSITION
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,790,689	\$ 5,034,578
Cash and cash equivalents - restricted	35,000	56,100
Investments	16,394,723	12,910,376
Accounts receivable - users	150,686	138,498
Accounts receivable - County Treasurer	1,814	2,038
Accrued interest receivable	7,520	1,661
Property taxes receivable	518,474	370,402
Prepaid expenses	33,780	28,126
Total current assets	<u>19,932,686</u>	<u>18,541,779</u>
Capital assets, net	<u>9,854,698</u>	<u>10,080,881</u>
Other assets		
Deposits	<u>13,551</u>	<u>13,551</u>
Total other assets	<u>13,551</u>	<u>13,551</u>
Total assets	<u>29,800,935</u>	<u>28,636,211</u>
LIABILITIES		
Current liabilities		
Accounts payable	74,006	58,582
Accrued salaries, benefits and related liabilities	30,840	32,388
Total current liabilities	<u>104,846</u>	<u>90,970</u>
Total liabilities	<u>104,846</u>	<u>90,970</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred property taxes	518,474	370,402
Total deferred inflows of resources	<u>518,474</u>	<u>370,402</u>
NET POSITION		
Net investment in capital assets	9,854,698	10,080,881
Restricted	35,000	56,100
Unrestricted	19,287,917	18,037,858
Total net position	<u>\$ 29,177,615</u>	<u>\$ 28,174,839</u>

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

Winter Park Water and Sanitation District
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Water and sewer services	\$ 1,615,656	\$ 1,457,321
Miscellaneous income	13,667	19,294
Total operating revenues	<u>1,629,323</u>	<u>1,476,615</u>
OPERATING EXPENSES		
Water - administrative	195,786	188,909
Water - operations and maintenance	479,111	524,839
Sewer - administrative	186,054	176,850
Sewer - operations and maintenance	473,124	429,496
Depreciation	630,658	633,954
Total operating expenses	<u>1,964,733</u>	<u>1,954,048</u>
OPERATING INCOME (LOSS)	<u>(335,410)</u>	<u>(477,433)</u>
NONOPERATING REVENUES		
Property taxes	371,136	451,674
Specific ownership taxes	24,065	27,694
Net investment income (loss)	770,316	(89,024)
Total nonoperating revenues	<u>1,165,517</u>	<u>390,344</u>
NONOPERATING EXPENSES		
County Treasurer fees	18,568	22,539
Loan interest	-	2,225
Total nonoperating expenses	<u>18,568</u>	<u>24,764</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	<u>811,539</u>	<u>(111,853)</u>
CAPITAL CONTRIBUTIONS		
Tap fees	191,237	2,568,344
CHANGE IN NET POSITION	1,002,776	2,456,491
NET POSITION - beginning of year	<u>28,174,839</u>	<u>25,718,348</u>
NET POSITION - end of year	<u><u>\$ 29,177,615</u></u>	<u><u>\$ 28,174,839</u></u>

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

Winter Park Water and Sanitation District
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 1,617,135	\$ 1,460,605
Payments to suppliers for goods and services	(786,678)	(796,700)
Payments to employees for services	(539,173)	(514,030)
Net cash provided (used) by operating activities	<u>291,284</u>	<u>149,875</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	371,360	452,209
Specific ownership taxes	24,065	27,694
County Treasurer's fees	(18,568)	(22,539)
Net cash provided (used) by noncapital financing activities	<u>376,857</u>	<u>457,364</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Tap fees	191,237	2,568,344
Acquisition of fixed assets	(404,477)	(438,726)
Debt principal payments	-	(89,000)
Interest paid on debt	-	(2,225)
Net cash provided (used) by capital and related financing activities	<u>(213,240)</u>	<u>2,038,393</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net redemption/(purchase) of investments	(3,362,125)	(3,415,319)
Interest earnings received	642,235	169,636
Net cash provided (used) by investing activities	<u>(2,719,890)</u>	<u>(3,245,683)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,264,989)	(600,051)
CASH AND CASH EQUIVALENTS - beginning of year	<u>5,090,678</u>	<u>5,690,729</u>
CASH AND CASH EQUIVALENTS - end of year	<u><u>\$ 2,825,689</u></u>	<u><u>\$ 5,090,678</u></u>

(continued)

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

Winter Park Water and Sanitation District
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022
(continued)

	<u>2023</u>	<u>2022</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (335,410)	\$ (477,433)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation and amortization	630,658	633,954
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(12,188)	(16,010)
Prepaid expenses	(5,654)	(918)
Increase (decrease) in:		
Accounts payable	15,424	10,958
Accrued salaries, benefits and related liabilities	(1,546)	(676)
Total adjustments	<u>626,694</u>	<u>627,308</u>
Net cash provided (used) by operating activities	<u><u>\$ 291,284</u></u>	<u><u>\$ 149,875</u></u>

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

Winter Park Water and Sanitation District

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

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 eastern Grand County, Colorado. The District was organized in 1966 to provide water and sanitation services 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 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 contribution revenue when received or collectible.

Winter Park Water and Sanitation District

NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2023 and 2022

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 Statement 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.

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, no provision for uncollectible receivables 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 measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

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 \$3,000 or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital

Winter Park Water and Sanitation District

NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2023 and 2022

assets are recorded at estimated fair market 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:

Plant and improvements	5 to 50 years
Water storage tanks	30 to 50 years
Water distribution system	10 to 40 years
Vehicles	5 years
Other equipment	5 to 10 years

Water rights

The cost of water rights includes acquisition cost, legal fees and engineering costs related to the development and augmentation of those rights. Water rights have a perpetual life, thus the cost is not amortized. All other costs, including costs incurred for the protection of those rights, are expensed.

Compensated absences

The District has a policy that allows employees to accumulate unused paid time off up to a certain maximum number of hours. Compensated absences are accrued when incurred in the financial statements.

Capital contributions

Tap fees are recorded as capital contribution revenue 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.

Debt issue costs

Debt issuance costs are expensed in the period incurred.

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

Winter Park Water and Sanitation District

NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2023 and 2022

the total appropriation without notification. The total appropriation can only be modified upon completion of notification and publication requirements.

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 reporting period. Actual results could differ from those estimates.

Note 3 – Cash and investments

Cash and investments are reflected on the December 31, 2023 and 2022 Statements of Net Position as follows:

	2023	2022
Cash and cash equivalents	\$ 2,790,689	\$ 5,034,578
Cash and cash equivalents - restricted	35,000	56,100
Investments	16,394,723	12,910,376
Total cash and investments	<u>\$ 19,220,412</u>	<u>\$ 18,001,054</u>

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

	2023	2022
Deposits with financial institutions	\$ 2,825,689	\$ 5,090,678
Investments	16,394,723	12,910,376
Total cash and investments	<u>\$ 19,220,412</u>	<u>\$ 18,001,054</u>

At December 31, 2023 and 2022, the District's cash deposits had bank balances of \$2,872,902 and \$5,091,780, respectively, and carrying balances of \$2,825,689 and \$5,090,678, 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, 2023 and 2022, the federal insurance limit was \$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 equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Winter Park Water and Sanitation District

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2023 and 2022

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, 2023 and 2022, the District's bank balances and carrying balances were insured or collateralized as follows:

	2023	2022
Bank balances:		
Federally insured	\$ 596,000	\$ 869,142
Collateralized	2,276,902	4,222,638
Total bank balances	<u>\$ 2,872,902</u>	<u>\$ 5,091,780</u>
Carrying balances		
Federally insured	\$ 596,000	\$ 869,142
Collateralized	2,229,689	4,221,536
Total carrying balances	<u>\$ 2,825,689</u>	<u>\$ 5,090,678</u>

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 money market funds, federal government and agency securities, 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:

Winter Park Water and Sanitation District

NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2023 and 2022

- . Obligations of the United States and certain U.S. government agency securities
- . Certain international 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

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 its investments at amortized costs.

The local government investment pools, which include the Colorado Surplus Asset Fund Trust (CSAFE) and the Colorado Local Government Liquid Asset Trust (Colotrust), have ratings as noted below.

As of December 31, 2023 and 2022, the District had the following investments:

Investment	Maturity	2023	2022
U.S. governmental/agency securities	Less than 5 years	\$ 7,158,135	\$ 4,140,913
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted average under 60 days	2,302,088	2,186,919
Colorado Surplus Asset Fund Trust (CSAFE) - Colorado CORE	Weighted average under 180 days	2,694,448	2,557,585
Colorado Liquid Asset Trust (Colotrust)	Less than 1 year	4,240,052	4,024,959
Total investments		<u>\$ 16,394,723</u>	<u>\$ 12,910,376</u>

U.S. Government and U.S. Government Agency Securities

As of December 31, 2023, the District had \$7,158,135 invested in U.S. Government agency securities rated AAA by Fitch Ratings and Aaa by Moody's. These investments are valued using Level 1 inputs.

Winter Park Water and Sanitation District

NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2023 and 2022

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. CSAFE offers funds in two portfolios, CSAFE Cash and CSAFE Colorado Core (CORE). The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE is similar to a money market fund, with each share valued at \$1.00. CSAFE Cash 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 Cash's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE Cash'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 Cash. CSAFE Cash is rated AAmmf by Fitch Ratings. CSAFE measures all of its investments at amortized cost with a weighted average maturity of 60 days or less. 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 CSAFE 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 AAf/S1 by Fitch Ratings. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

COLOTRUST

The District invests in the Colorado Local Government Liquid Asset Trust (Colotrust); an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing Colotrust. Colotrust offers shares in three portfolios, COLOTRUST PRIME (PRIME), COLOTRUST PLUS+ (PLUS), and COLOTRUST EDGE (EDGE). Colotrust operates similarly to a money market fund and each share of PRIME and PLUS is equal in value to \$1.00, and EDGE shares are approximately equal to \$10.00. Each portfolio may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. PLUS and EDGE may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for Colotrust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for Colotrust'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 Colotrust. PRIME and PLUS are rated AAAM by Standard & Poor's, and EDGE is rated AAf/S1 by Fitch Ratings. Colotrust records its investments at fair value and the District records its investment in Colotrust at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

Winter Park Water and Sanitation District

NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2023 and 2022

Restricted cash and investments

The District had restricted cash of \$35,000 and \$56,100 for emergencies as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 8), as of December 31, 2023 and 2022.

Note 4 – Capital assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balace at December 31, 2022	Increases	Decreases	Balace at December 31, 2023
Capital assets, not depreciated				
Land	\$ 105,793	\$ -	\$ -	\$ 105,793
Construction in progress	-	56,008	-	56,008
Water rights	965,509	-	-	965,509
Total capital assets, not being depreciated	1,071,302	56,008	-	1,127,310
Capital assets being depreciated				
Plant, buildings and improvements	11,778,164	2,133	-	11,780,297
Water storage tanks	2,488,302	-	-	2,488,302
Infrastructure	6,603,926	337,093	-	6,941,019
Vehicles	207,674	-	-	207,674
Office and other equipment	442,863	9,243	-	452,106
Total capital assets being depreciated	21,520,929	348,469	-	21,869,398
Less accumulated depreciation for				
Plant and improvements	7,866,833	263,188	-	8,130,021
Water storage tanks	1,436,292	38,290	-	1,474,582
Infrastructure	2,682,688	306,185	-	2,988,873
Vehicles	199,084	8,589	-	207,673
Office and other equipment	326,455	14,406	-	340,861
Total accumulated depreciation	12,511,352	630,658	-	13,142,010
Total capital assets being depreciated, net	9,009,577	(282,189)	-	8,727,388
Capital assets, net	\$10,080,879	\$(226,181)	\$ -	\$ 9,854,698

Winter Park Water and Sanitation District

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2023 and 2022

Capital asset activity for the year ended December 31, 2022 was as follows:

	Balance at December 31, 2021	Increases	Decreases	Balance at December 31, 2022
Capital assets, not being depreciated				
Land	\$ 105,793	\$ -	\$ -	\$ 105,793
Construction in progress	2,292,087	-	(2,292,087)	-
Water rights	965,509	-	-	965,509
Total capital assets, not being depreciated	<u>3,363,389</u>	<u>-</u>	<u>(2,292,087)</u>	<u>1,071,302</u>
Capital assets being depreciated				
Plant, buildings and improvements	11,339,438	438,726	-	11,778,164
Water storage tanks	2,488,304	-	-	2,488,304
Infrastructure	4,311,839	2,292,087	-	6,603,926
Vehicles	207,674	-	-	207,674
Office and other equipment	442,863	-	-	442,863
Total capital assets being depreciated	<u>18,790,118</u>	<u>2,730,813</u>	<u>-</u>	<u>21,520,931</u>
Less accumulated depreciation for				
Plant and improvements	7,591,232	275,601	-	7,866,833
Water storage tanks	1,398,003	38,289	-	1,436,292
Infrastructure	2,386,309	296,379	-	2,682,688
Vehicles	190,495	8,589	-	199,084
Office and other equipment	311,359	15,096	-	326,455
Total accumulated depreciation	<u>11,877,399</u>	<u>633,954</u>	<u>-</u>	<u>12,511,352</u>
Total capital assets being depreciated, net	<u>6,912,719</u>	<u>2,096,860</u>	<u>-</u>	<u>9,009,579</u>
Capital assets, net	<u>\$ 10,276,108</u>	<u>\$ 2,096,860</u>	<u>\$ (2,292,087)</u>	<u>\$ 10,080,881</u>

Depreciation expense of \$630,658 and \$633,954 for the years ended December 31, 2023 and 2022, respectively, was charged to water and sewer operations.

Winter Park Water and Sanitation District

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2023 and 2022

Note 5 – Long term obligations

The following is an analysis of the 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
General Obligation Water Bonds	\$ 89,000	\$ -	\$ 89,000	\$ -	\$ -
	<u>\$ 89,000</u>	<u>\$ -</u>	<u>\$ 89,000</u>	<u>\$ -</u>	<u>\$ -</u>

General Obligation Refunding Water Bonds

On April 1, 1982, the District issued \$1,603,000 in general obligation refunding bonds, which were purchased by the Farmers Home Administration, to refund bonds issued for the acquisition of a water distribution and treatment system. The bonds had a 5% annual interest rate and had varying maturities through October 1, 2022. All of the remaining bonds were paid during 2022.

All refunded bonds have been paid, and accordingly, no defeased debt is outstanding.

Debt authorization

At December 31, 2023, the District had no authorized but unissued indebtedness.

Note 6 – Deferred compensation plans

The District maintains a MetLife 457(b) Deferred Compensation Plan in which all of its full-time employees are eligible to participate. Under the Plan, employees may elect to defer an amount each year which does not exceed the lesser of \$22,500 (in 2023) or 100% of includible compensation in accordance with Section 457 of the Internal Revenue Code. The District matches 100% of the first 5% of the employees' contributions. The contributions for each employee vest immediately. The employees may withdraw funds from the plan as allowed under IRC Section 457. Plan provisions and contribution requirements are established and may be amended by the District Board of Directors. In accordance with Internal Revenue Code Section 457(b), all plan assets and income are held in trust for the exclusive benefit of the participants and their beneficiaries. During the years ended December 31, 2023 and 2022, employees' contributions totaled \$27,239 and \$25,883, respectively, and the District's matching contributions totaled \$20,365 and \$19,285, respectively.

Effective January 1, 2011, the District established the WPWSD 401(a) Plan, which serves as a replacement plan for social security. Employees are eligible to participate effective the first day of the month after the date of hire. Employees make a mandatory contribution of 6.2% of compensation. The District makes a matching contribution of 6.2% of compensation. District contributions are subject to a 3-year cliff

Winter Park Water and Sanitation District

NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2023 and 2022

vesting schedule. Distributions from the Plan are available upon termination of employment, retirement, or for disability. Loans from the plan are prohibited. Hardship withdrawals are available for emergencies as defined by the Plan. All plan assets and income are held in trust for the exclusive benefit of the participants and their beneficiaries. During the years ended December 31, 2023 and 2022, employees' contributions totaled \$25,252 and \$23,914 and the District's contributions totaled \$25,252 and \$23,914, respectively.

Note 7 – Risk management

The District is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District carries commercial insurance for these risks of loss, including workers compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the past three fiscal years.

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. While the District receives more than 10% of its revenue from government sources, 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.

Winter Park Water and Sanitation District

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2023 and 2022

In November 2007, a majority of the District's electors authorized the District to collect, retain, and expend each year all revenues it receives, in fiscal year 2008 and thereafter, from all sources, as a voter approved revenue change and without regard to spending, revenue raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the property tax revenue limitation of Section 29-1-301, Colorado Revised Statutes, or any other law.

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SUPPLEMENTAL INFORMATION

Winter Park Water and Sanitation District
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUNDS AVAILABLE - BUDGET AND ACTUAL (BUDGETARY BASIS)

WATER FUND

For the Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$ 750,857	\$ 746,251	\$ (4,606)
Property taxes	222,241	222,609	368
Specific ownership taxes	11,000	12,217	1,217
Net investment income	40,000	330,572	290,572
Tap fees	173,250	94,558	(78,692)
Miscellaneous income	5,500	6,922	1,422
Total Revenues	<u>1,202,848</u>	<u>1,413,129</u>	<u>210,281</u>
EXPENDITURES			
Administrative			
Accounting and legal	34,000	19,522	14,478
Automobile	1,000	583	417
County Treasurer's fees	11,187	11,142	45
Directors fees	3,000	1,700	1,300
Employee benefits	42,796	40,155	2,641
Insurance	17,655	15,041	2,614
Miscellaneous	2,500	3,223	(723)
Membership fees and publications	15,500	14,482	1,018
Office labor	91,180	89,895	1,285
Office expense	9,500	6,841	2,659
Office rent	1,200	1,200	-
Payroll taxes	-	2,001	(2,001)
Seminars and training	3,500	115	3,385
Total Administration	<u>233,018</u>	<u>205,900</u>	<u>27,118</u>

(continued)

Winter Park Water and Sanitation District
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUNDS AVAILABLE - BUDGET AND ACTUAL (BUDGETARY BASIS)

WATER FUND

For the Year Ended December 31, 2023
(continued)

	<u>Original Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
Maintenance			
Automobile	5,000	3,605	1,395
Contract maintenance and project costs	30,000	51,735	(21,735)
Employee benefits	50,007	46,464	3,543
Engineering	45,000	71,516	(26,516)
Labor	93,315	105,674	(12,359)
Permits	2,500	-	2,500
Payroll taxes	-	2,100	(2,100)
Project	82,800	13,229	69,571
Rehab and replacement	241,965	9,875	232,090
Seminars and training	3,500	1,483	2,017
Supplies	40,000	33,397	6,603
Utilities	65,000	54,935	10,065
Water rights professional services	95,000	79,502	15,498
Water testing	8,000	5,596	2,404
Total Maintenance	<u>762,087</u>	<u>479,111</u>	<u>282,976</u>
Capital outlay	<u>8,942,189</u>	<u>402,344</u>	<u>8,539,845</u>
Total Expenditures	<u>9,937,294</u>	<u>1,087,355</u>	<u>8,849,939</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,734,446)</u>	<u>325,774</u>	<u>9,060,220</u>
BEGINNING FUNDS AVAILABLE	<u>8,768,374</u>	<u>5,450,487</u>	<u>(3,317,887)</u>
ENDING FUNDS AVAILABLE	<u><u>\$ 33,928</u></u>	<u><u>\$ 5,776,261</u></u>	<u><u>\$ 5,742,333</u></u>

Winter Park Water and Sanitation District
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUNDS AVAILABLE - BUDGET AND ACTUAL (BUDGETARY BASIS)

SEWER FUND

For the Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$ 890,895	\$ 869,405	\$ (21,490)
Property taxes	148,161	148,527	366
Specific ownership taxes	11,000	11,848	848
Net investment income	40,000	317,522	277,522
Tap fees	173,250	96,679	(76,571)
Miscellaneous income	5,500	6,745	1,245
Total Revenues	<u>1,268,806</u>	<u>1,450,726</u>	<u>181,920</u>
EXPENDITURES			
Administrative			
Accounting and legal	34,000	19,522	14,478
Automobile	1,000	583	417
County Treasurer's fees	7,458	7,426	32
Directors fees	3,000	1,700	1,300
Employee benefits	42,796	40,155	2,641
Insurance	17,655	15,041	2,614
Licenses and permits	-	1,849	(1,849)
Membership fees and publications	6,000	4,849	1,151
Miscellaneous	2,500	1,269	1,231
Office labor	91,180	89,894	1,286
Office expense	9,500	6,848	2,652
Office rent	1,200	1,200	-
Payroll taxes	-	2,001	(2,001)
Seminars and training	3,500	115	3,385
Total Administration	<u>219,789</u>	<u>192,452</u>	<u>27,337</u>

(continued)

Winter Park Water and Sanitation District
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUNDS AVAILABLE - BUDGET AND ACTUAL (BUDGETARY BASIS)

SEWER FUND

For the Year Ended December 31, 2023
(continued)

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Maintenance			
Automobile	5,000	3,637	1,363
Contract maintenance and project costs	30,000	30,852	(852)
Employee benefits	50,007	46,464	3,543
Engineering	30,400	41,464	(11,064)
Labor	139,972	120,281	19,691
Permits	2,500	-	2,500
Payroll taxes	-	2,099	(2,099)
Project	68,200	48,010	20,190
Rehab and replacement	284,255	-	284,255
Seminars and training	3,500	491	3,009
Supplies	51,000	54,580	(3,580)
Testing	3,000	1,122	1,878
Utilities	140,000	126,180	13,820
Total Maintenance	<u>807,834</u>	<u>475,180</u>	<u>332,654</u>
Capital outlay	11,466,195	2,133	11,464,062
Total Expenditures	<u>12,493,818</u>	<u>669,765</u>	<u>11,824,053</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(11,225,012)</u>	<u>780,961</u>	<u>12,005,973</u>
BEGINNING FUNDS AVAILABLE	<u>11,244,045</u>	<u>7,662,121</u>	<u>(3,581,924)</u>
ENDING FUNDS AVAILABLE	<u><u>\$ 19,033</u></u>	<u><u>\$ 8,443,082</u></u>	<u><u>\$ 8,424,049</u></u>

Winter Park Water and Sanitation District
RECONCILIATION OF ACTUAL (BUDGETARY BASIS) TO STATEMENT
OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

WATER AND SEWER FUNDS

For the Year Ended December 31, 2023

Revenues (budgetary basis)	\$ 2,863,855
Unrealized gain (loss) on investments	122,222
Total revenues per Statement of Revenues, Expenses and	
Changes in Net Position	<u>2,986,077</u>
 Expenditures (budgetary basis)	 1,757,120
Depreciation and amortization	630,658
Capital outlay	<u>(404,477)</u>
Total expenses per Statement of Revenues, Expenses and	
Changes in Net Position	<u>1,983,301</u>
 Change in net position per Statement of Revenues, Expenses	
and Changes in Net Position	<u><u>\$ 1,002,776</u></u>