

WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
Jefferson County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEARS ENDED DECEMBER 31, 2024 AND 2023

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

INDEPENDENT AUDITOR’S REPORT	I
MANAGEMENT’S DISCUSSION AND ANALYSIS	IV
BASIC FINANCIAL STATEMENTS	
STATEMENTS OF NET POSITION	1
STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION	2
STATEMENTS OF CASH FLOWS	3
NOTES TO BASIC FINANCIAL STATEMENTS	4
SUPPLEMENTARY INFORMATION	
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGE IN NET POSITION	17
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE – BUDGET AND ACTUAL (BUDGETARY BASIS) – WATER	19
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE – BUDGET AND ACTUAL (BUDGETARY BASIS) – WASTEWATER	20
RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION	22
OTHER SUPPLEMENTARY INFORMATION	
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	24

INDEPENDENT AUDITOR'S REPORT

Board of Directors
West Jefferson County Metropolitan District
Evergreen, Colorado

Opinion

We have audited the accompanying financial statements of the business-type activities of West Jefferson County Metropolitan District, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise West Jefferson County Metropolitan District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities of West Jefferson County Metropolitan District, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 West Jefferson County Metropolitan District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

West Jefferson County Metropolitan District's 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 West Jefferson County Metropolitan 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 West Jefferson County Metropolitan 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 West Jefferson County Metropolitan 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, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise West Jefferson County Metropolitan District's basic financial statements. The budgetary comparison schedules and other supplementary information as listed in the table of contents (collectively, the Supplementary Information) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 Supplementary Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited West Jefferson County Metropolitan District's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 19, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Watson Coon Ryan, LLC

CENTENNIAL, COLORADO
JUNE 19, 2025

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

The management of West Jefferson County Metropolitan District (the District) offers the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2024.

Financial Highlights

- Assets of the District exceeded its liabilities at the close of the fiscal year by \$13,105,592 (net position). Of this amount, \$1,836,248 (unrestricted net position) may be used to meet the government's ongoing obligations to its citizens and creditors.
- The District's total net position decreased by \$86,348 from the prior fiscal year.
- Compared to the prior year, the District's revenues increased \$442,711 (13.67%). Of this amount, \$441,007 is from operating revenues.
- The District's expenses, inclusive of depreciation expense, increased \$265,874 (7.23%).
- Total net operating loss of \$260,128 was a decrease of \$176,837 from last year. Excluding depreciation, net operating income was \$246,116.
- The District's total debt outstanding as of December 31, 2024 was \$2,707,705, which represents a 2021 loan from the Water Pollution Control Revolving Fund. See Note 5 (Long-Term Obligations) for additional detail of the loan.

Overview of the Financial Statements

Management's discussions and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of financial statements and notes to financial statements. This report also contains other supplemental information and continuing disclosure annual financial information in addition to the basic financial statements themselves.

The financial statements of the District are presented as a special purpose government engaged only in business type activities – providing water and sewer utility services.

The statement of net position presents information on all of the District's assets and liabilities, with the difference being reported as net position. Over time, increases or decreases in the 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 that reflects how the District's net position changed during the past year. All changes in the 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, revenue and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

The statement of cash flows reports the District's cash flows from operating, noncapital financing, capital, and investing activities.

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

The supplementary information contained in this report provides a schedule of revenues, expenses, and change in net position, budget and actual information, and debt service requirements.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

The District's net position decreased \$86,348 in 2024, mainly resulting from the depreciation expense. As noted earlier, change in net position may serve over time as a useful indicator of the District's financial position. As of December 31, 2024 and 2023, assets exceeded total liabilities by \$13,105,592 and \$13,191,940, respectively.

Statement of Net Position

Year Ending December 31,	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets	\$ 2,296,988	\$ 2,173,225
Capital Assets, Net	<u>13,634,499</u>	<u>13,943,276</u>
Total Assets	15,931,487	16,116,501
LIABILITIES		
Current Liabilities	213,995	216,856
Long-Term Liabilities	<u>2,611,900</u>	<u>2,707,705</u>
Total Liabilities	<u>2,825,895</u>	<u>2,924,561</u>
NET POSITION		
Net Position Invested in Capital Assets	10,926,794	11,140,243
Restricted Net Position	342,550	294,200
Unrestricted Net Position	<u>1,836,248</u>	<u>1,757,497</u>
Total Net Position	<u><u>\$ 13,105,592</u></u>	<u><u>\$ 13,191,940</u></u>

The largest portion of the District's net position reflects its investment in capital assets (e.g., disposal facilities, collection, transmission and distribution lines 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 portion of net position is not available for future spending.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

Operating revenue increased by \$441,007 and nonoperating revenue increased by \$1,704. Within the increase in operating revenue, \$332,475 was an increase in water and \$108,532 was an increase in wastewater. The increase in water revenue is due to higher usage and rates set by Evergreen Metro District. The District does not derive any revenue in excess of expenditures from the water system. Wastewater revenue increased from prior year due to an increase in the flat rate structure, from \$56.50 to \$61.02 per equivalent unit per month for El Rancho and \$40.50 to \$43.74 per equivalent per unit per month for customers within the District. Nonoperating revenue consists of proceeds from sale of assets, inclusion fees, available to serve fees, and interest income.

Operating expenses increased by \$324,863, primarily due to the corresponding water revenue increase above and increase costs and inflation. General and administrative expenses increased by \$28,740 and nonoperating expenses decreased by \$475. Nonoperating expenses include loan interest and administrative fees.

Review of Change in Net Position

Year Ending December 31,	<u>2024</u>	<u>2023</u>
REVENUES		
Operating Revenue	\$ 3,582,881	\$ 3,141,874
Nonoperating Revenue	98,423	96,719
Total Revenues	<u>3,681,304</u>	<u>3,238,593</u>
EXPENSES		
Operating Expenses	3,003,577	2,678,714
General and Administrative	333,188	304,448
Depreciation	590,850	678,104
Non-Operating Expenses	13,817	14,292
Total Expenses	<u>3,941,432</u>	<u>3,675,558</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS	(260,128)	(436,965)
CAPITAL CONTRIBUTIONS	<u>173,780</u>	<u>11,000</u>
CHANGE IN NET POSITION	(86,348)	(425,965)
Net Position - Beginning of Year	<u>13,191,940</u>	<u>13,617,905</u>
NET POSITION - END OF YEAR	<u><u>\$ 13,105,592</u></u>	<u><u>\$ 13,191,940</u></u>

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

Budgetary Highlights

The District prepares its budget on the modified accrual basis of accounting to recognize the fiscal impact of debt issuance, sale of assets and debt repayments, as well as capital outlay in addition to operations and nonoperating revenue and contributions. This budgetary accounting is required by state statutes.

For wastewater, actual revenue of the District was higher than the budgeted revenue by \$11,916 mainly due to interest income. Total actual expenditures were \$478,220 less than the appropriation, which includes a positive variance of \$339,777 for capital expenditures. This large variance is mainly due to the timing of some of the budgeted capital projects.

Budgeted Capital Revenue is an estimate which includes System Development Fees. This budget item is based upon future development, which is outside of the District's control.

Capital Assets Activity

The activity related to capital assets is as follows:

	<u>2024</u>	<u>2023</u>
Capital Assets:		
Land	\$ 62,631	\$ 62,631
Disposal Facilities	2,297,409	2,488,538
Treatment Facilities	6,805,593	6,926,841
Infrastructure	4,287,717	4,386,436
Other Equipment and Buildings	153,471	51,152
Mapping	27,678	27,678
Total Capital Assets, Net	<u>\$ 13,634,499</u>	<u>\$ 13,943,276</u>

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

Long-Term Debt

All scheduled payments of principal and interest on the District's outstanding debt were paid as required during 2024.

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

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

Economic Factors and Next Year's Budgets and Rates

For 2025, the District has budgeted revenue for water and wastewater of \$2,189,600 and \$2,405,230, respectively, which are \$509,560 lower and \$950 higher compared with 2024 budgeted figures.

Request for Information

This 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 information should be addressed to:

West Jefferson County Metropolitan District
30920 Stagecoach Blvd.,
Evergreen, Colorado 80439

BASIC FINANCIAL STATEMENTS

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31, 2024 AND 2023**

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,664,033	\$ 1,630,055
Cash and Cash Equivalents - Restricted	342,550	294,200
Accounts Receivable	290,405	248,970
Total Current Assets	2,296,988	2,173,225
CAPITAL ASSETS, NET		
	13,634,499	13,943,276
Total Assets	\$ 15,931,487	\$ 16,116,501
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 115,953	\$ 119,212
Accrued Interest Payable	2,237	2,316
Loan Payable - Current Portion	95,805	95,328
Total Current Liabilities	213,995	216,856
LONG-TERM OBLIGATIONS		
Loan Payable	2,611,900	2,707,705
Total Long-Term Obligations	2,611,900	2,707,705
NET POSITION		
Net Investment in Capital Assets	10,926,794	11,140,243
Restricted	342,550	294,200
Unrestricted	1,836,248	1,757,497
Total Net Position	13,105,592	13,191,940
Total Liabilities and Net Position	\$ 15,931,487	\$ 16,116,501

See accompanying Notes to Basic Financial Statements.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
WATER OPERATIONS		
Service Revenues	\$ 2,105,008	\$ 1,772,533
Direct Expenses	<u>(2,105,008)</u>	<u>(1,772,533)</u>
GROSS PROFIT (LOSS) FROM WATER OPERATIONS	-	-
WASTEWATER OPERATIONS		
Service Revenues	1,477,873	1,369,341
Direct Expenses	<u>(898,569)</u>	<u>(906,181)</u>
GROSS PROFIT FROM WASTEWATER OPERATIONS	579,304	463,160
GROSS PROFIT FROM OPERATIONS	579,304	463,160
GENERAL AND ADMINISTRATIVE EXPENSES		
General and Administrative	(333,188)	(304,448)
Depreciation	<u>(590,850)</u>	<u>(678,104)</u>
NET LOSS FROM OPERATIONS	(344,734)	(519,392)
NONOPERATING REVENUES	98,423	96,719
NONOPERATING EXPENSES	<u>(13,817)</u>	<u>(14,292)</u>
LOSS BEFORE CONTRIBUTIONS	(260,128)	(436,965)
CAPITAL CONTRIBUTIONS	<u>173,780</u>	<u>11,000</u>
CHANGE IN NET POSITION	(86,348)	(425,965)
Net Position - Beginning of Year	<u>13,191,940</u>	<u>13,617,905</u>
NET POSITION - END OF YEAR	<u><u>\$ 13,105,592</u></u>	<u><u>\$ 13,191,940</u></u>

See accompanying Notes to Basic Financial Statements.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 3,541,446	\$ 3,086,068
Payments to Suppliers	<u>(3,340,024)</u>	<u>(2,985,757)</u>
Net Cash Provided by Operating Activities	201,422	100,311
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from Sale of Assets	1,600	-
Acquisition of Property, Plant, and Equipment	(282,072)	(148,309)
Loan Proceeds	-	10,000
System Development Fees Received	24,000	11,000
Capital Project Fees Received	149,780	-
Other Income Received	-	5,483
Loan Interest and Administrative Fees	(13,896)	(14,371)
Loan Principal Reduction	<u>(95,328)</u>	<u>(94,853)</u>
Net Cash Used by Capital and Related Financing Activities	(215,916)	(231,050)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Security Bond Purchased	(300,000)	-
Security Bond Sold	300,000	-
Net Investment Income Received	<u>96,822</u>	<u>95,631</u>
Net Cash Provided by Investing Activities	<u>96,822</u>	<u>95,631</u>
 NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	82,328	(35,108)
 Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>1,924,255</u>	<u>1,959,363</u>
 CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR	<u><u>\$ 2,006,583</u></u>	<u><u>\$ 1,924,255</u></u>
 RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Loss from Operations	\$ (344,734)	\$ (519,392)
Adjustments to Reconcile Loss from Operations to Net Cash Provided by Operating Activities:		
Depreciation	590,850	678,104
Decrease (Increase) in Prepaid Expenses	-	21,042
Decrease (Increase) in Accounts Receivable	(41,435)	(55,806)
Increase (Decrease) in Accounts Payable and Accrued Expenses	<u>(3,259)</u>	<u>(23,637)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 201,422</u></u>	<u><u>\$ 100,311</u></u>

See accompanying Notes to Basic Financial Statements.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 DEFINITION OF REPORTING ENTITY

West Jefferson County Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by order and decree of the District Court for Jefferson County and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Section 1, Colorado Revised Statutes). The District provides water and sanitation services. As more fully described in Note 7 to the financial statements, the District purchases water, water management services, and sanitation management services from the Evergreen Metropolitan District (EMD). The District has an elected Board of Directors and has no employees; all operations and administration functions are contracted out.

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.

Basis of Accounting

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

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating Revenues and Expenses

The District distinguishes between operating revenues and expenses and nonoperating items in the statements of revenues, expenses and change 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 sanitation 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.

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 and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Cash Equivalents

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

Capital Assets

Capital assets, which include source of supply, land and right of way, plant and buildings, distribution and collection systems, and machinery and equipment, are reported by the District. Capital assets are defined by the District as assets within an initial, individual cost of more than \$2,500. 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.

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

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives of the assets as follows:

Water Lines and Wastewater Lines	50 Years
Disposal Facilities	50 Years
Treatment Facilities	50 Years
Operating and Office Equipment	3 to 20 Years

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

System Development Fees

System development fees represent amounts collected from customers and developers in order to develop or access the District' water and collection lines. System development fees are reflected as nonoperating revenue.

Equity

Net Position

For presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Estimates

The presentation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2024 and 2023 are classified in the accompanying financial statements as follows:

	2024	2023
Statement of Net Position:		
Cash and Cash Equivalents	\$ 1,664,033	\$ 1,630,055
Cash and Cash Equivalents - Restricted	342,550	294,200
Total Cash and Investments	\$ 2,006,583	\$ 1,924,255

Cash and cash equivalents as of December 31, 2024 and 2023 consist of the following:

	2024	2023
Deposits with Financial Institutions	\$ 180,688	\$ 126,139
Investments	1,825,895	1,798,116
Total Cash and Cash Equivalents	\$ 2,006,583	\$ 1,924,255

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. 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.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024 AND 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued)

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

At December 31, 2024, the District had the following deposits with financial institutions:

	Bank Balance	Carrying Balance
Insured Deposits	\$ 189,025	\$ 180,688
Total Deposits with Financial Institutions	\$ 189,025	\$ 180,688

Investments

The District generally limits its concentration of investments to those noted with an asterisk (*) below, 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 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 which include:

- . 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 certificates of participation
- . Certain securities lending agreements
- . 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

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2024, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 1,144,991
Colorado Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	680,904
Total		<u>\$ 1,825,895</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor’s. 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.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle 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 currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations 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, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

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. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the years ended December 31, 2024 and 2023 was as follows:

	Balance December 31, 2023	Additions	Retirements	Balance December 31, 2024
Capital Assets, Not Being Depreciated:				
Land	\$ 62,631	\$ -	\$ -	\$ 62,631
Total Capital Assets, Not Being Depreciated	62,631	-	-	62,631
Capital Assets, Being Depreciated:				
Disposal Facilities	6,622,958	-	-	6,622,958
Treatment Facility	7,068,205	20,527	-	7,088,732
Infrastructure	12,058,235	171,491	-	12,229,726
Other Equipment and Buildings	879,843	90,055	-	969,898
Mapping	27,678	-	-	27,678
Total Capital Assets, Being Depreciated	26,656,919	282,073	-	26,938,992
Less Accumulated Depreciation For:				
Disposal Facilities	(4,134,420)	(191,129)	-	(4,325,549)
Treatment Facility	(141,364)	(141,775)	-	(283,139)
Infrastructure	(7,671,799)	(270,210)	-	(7,942,009)
Other Equipment and Buildings	(828,691)	12,264	-	(816,427)
Depreciation	(12,776,274)	(590,850)	-	(13,367,124)
Capital Assets, Net	<u>\$ 13,943,276</u>	<u>\$ (308,777)</u>	<u>\$ -</u>	<u>\$ 13,634,499</u>

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 4 CAPITAL ASSETS (CONTINUED)

	Balance December 31, 2022	Additions	Retirements	Balance December 31, 2023
Capital Assets, Not Being Depreciated:				
Land	\$ 62,631	\$ -	\$ -	\$ 62,631
Construction in Progress	7,066,822	1,383	7,068,205	-
Total Capital Assets, Not Being Depreciated	7,129,453	1,383	7,068,205	62,631
Capital Assets, Being Depreciated:				
Disposal Facilities	6,615,134	7,824	-	6,622,958
Treatment Facility	-	7,068,205	-	7,068,205
Infrastructure	11,960,923	97,312	-	12,058,235
Other Equipment and Buildings	845,444	34,399	-	879,843
Mapping	27,678	-	-	27,678
Total Capital Assets, Being Depreciated	19,449,179	7,207,740	-	26,656,919
Less Accumulated Depreciation For:				
Disposal Facilities	(3,943,342)	(191,078)	-	(4,134,420)
Treatment Facility	-	(141,364)	-	(141,364)
Infrastructure	(7,389,149)	(282,650)	-	(7,671,799)
Other Equipment and Buildings	(765,679)	(63,012)	-	(828,691)
Total Accumulated Depreciation	(12,098,170)	(678,104)	-	(12,776,274)
Capital Assets, Net	<u>\$ 14,480,462</u>	<u>\$ 6,531,019</u>	<u>\$ 7,068,205</u>	<u>\$ 13,943,276</u>

Depreciation expense for the years ended December 31, 2024 and 2023 were \$590,850 and \$678,104, respectively.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the years ended December 31, 2024 and 2023:

	Balance December 31, 2023	Additions	Reductions	Balance December 31, 2024	Amounts Due Within One Year
Notes/Loans from Direct Borrowings and Placements:					
CWRPDA Loan (2021) - W21F446					
Water Pollution Control Revolving Fund	\$ 2,803,033	\$ -	\$ 95,328	\$ 2,707,705	\$ 95,805
Total Long-Term Obligations	<u>\$ 2,803,033</u>	<u>\$ -</u>	<u>\$ 95,328</u>	<u>\$ 2,707,705</u>	<u>\$ 95,805</u>

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023	Amounts Due Within One Year
Notes/Loans from Direct Borrowings and Placements:					
CWRPDA Loan (2021) - W21F446					
Water Pollution Control Revolving Fund	\$ 2,887,886	\$ 10,000	\$ 94,853	\$ 2,803,033	\$ 95,328
Total Long-Term Obligations	<u>\$ 2,887,886</u>	<u>\$ 10,000</u>	<u>\$ 94,853</u>	<u>\$ 2,803,033</u>	<u>\$ 95,328</u>

The detail of the District’s long-term obligations is as follows:

Water Pollution Control Revolving Fund – 2021 Loan

The District entered into a loan agreement with the Colorado Water Resources and Power Development Authority (CWRDPA) on January 29, 2021 for the purpose of financing the wastewater treatment facility improvement project. The principal amount of the loan is \$3,000,000 and has an interest rate of 0.5% annually, if the finally constructed project is certified by the Water Quality Control Division (WQCD) as a Green Project; 2.5% if the finally constructed project is not certified by the WQCD as a Green Project. The loan is maturing in 30 year and is payable semi-annually on May 1 and November 1 of each year beginning November 1, 2021. Pursuant to the loan agreement, the District shall maintain an operation and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation, of the wastewater fund’s annual budget for the current fiscal year. As of December 31, 2024, the District is in compliance with this reserve requirement.

The District’s 2021 Loan principal and interest will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 95,805	\$ 13,419	\$ 109,224
2026	96,284	12,939	109,223
2027	96,766	12,457	109,223
2028	97,251	11,973	109,224
2029	97,738	11,486	109,224
2030-2034	496,078	50,042	546,120
2035-2039	508,620	37,498	546,118
2040-2044	521,479	24,639	546,117
2045-2049	534,663	11,454	546,117
2050-2051	163,021	817	163,838
Total	<u>\$ 2,707,705</u>	<u>\$ 186,724</u>	<u>\$ 2,894,429</u>

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 6 NET POSITION

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

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2024 and 2023, the District had the following net investment in capital assets, calculated as follows:

	2024	2023
Net Investment in Capital Assets:		
Capital Assets, Net	\$ 13,634,499	\$ 13,943,276
Current Portion of Long-Term Obligations	(95,805)	(95,328)
Noncurrent Portion of Long-Term Obligations	(2,611,900)	(2,707,705)
Total	\$ 10,926,794	\$ 11,140,243

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position of \$342,550 as of December 31, 2024 for the operation and maintenance reserve as required by the 2021 loan from the Water Pollution Control Revolving Fund. This restricted net position amount represents three months of operation and maintenance expenses, excluding depreciation, of the wastewater fund’s annual budget for the current fiscal year.

The unrestricted net position as of December 31, 2024 and 2023 were \$1,836,248 and \$1,757,497, respectively.

NOTE 7 AGREEMENTS

Water Distribution and Wastewater Service Agreements

The District has entered into a water distribution and service agreement with Evergreen Metropolitan District (EMD) to provide water and water service based on an agreed upon fee schedule. Under the terms of the agreement, the EMD provides complete management of the water system for the District, including maintenance, administrative services, collection of revenue and the issuance of water taps. The District does not derive any revenues in excess of expenditures from the water system because the fees charged to District customers equals the fees charged by EMD for services rendered.

The cost of the water transmission lines and the related deprecation is not reflected in these financial statements since ownership of the lines remains with EMD upon termination of the agreement or dissolution of the District.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 7 AGREEMENTS (CONTINUED)

Water Distribution and Wastewater Service Agreements (Continued)

The District has a contract with EMD whereby EMD provides management and administrative services to the District. These services include operating, pretreatment, locates, billing, collection, accounting, general management, administrative functions, and administrative operating expenses.

The District is party to several agreements with EMD and various developers of property within the District's boundaries through which the District has agreed to bill and collect water system development fees to be used to fund the construction of water main extensions, a pumping station, a treated-water storage reservoir, and related facilities. The District transfers all of the fees collected to the EMD.

Intergovernmental Agreement for Shared Use Facility

The District entered into an intergovernmental agreement for shared-use facility as of April 25, 2007 with EMD where by EMD has constructed a garage and maintenance facility on the District property. Use of the facility will be shared by both districts. EMD will pay all the necessary expenses associated with the construction, operation and maintenance of the facility. EMD will also provide all necessary in house laboratory analysis required for the operation of the District wastewater treatment plant at no charge to the District. The agreement terminates on December 31, 2037, but provides for automatic renewal for up to 45 one-year terms subsequent to December 31, 2037.

The District entered into an intergovernmental agreement for shared-use facility (Grit Classifier and Disposal System) as of May 18, 2017 with EMD and the Kittredge Sanitation and Water District (KSWD) where by the District has constructed and installed a grit classifier and disposal system on a portion of the District's facility. The three districts have agreed to share the costs of use, operation, maintenance and repair for their common benefit. The agreement terminates on December 31, 2030, but provides for automatic renewal on an annual basis after the end of the initial term.

NOTE 8 RISK MANAGEMENT

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool) as of December 31, 2024. 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.

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RISK MANAGEMENT (CONTINUED)

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

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations 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 believes that a significant portion of its operations qualifies for this exclusion.

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

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.

On May 2, 2000, the District's voters authorized the District to collect, retain and spend each year all revenue from all sources without regard to any limitations under TABOR and any other law.

The District 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 qualifications as an Enterprise will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGE IN NET POSITION
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
WATER OPERATIONS		
Revenues:		
Water Sales	\$ 2,058,267	\$ 1,733,204
Service Charges	10,507	8,819
Connections and Inspections	4,234	1,510
System Development Fees	32,000	29,000
Total Revenues	2,105,008	1,772,533
Direct Expenses:		
Water Purchases	2,058,267	1,733,204
Service Charges	10,507	8,819
Connections and Inspections	4,234	1,510
System Development Fees	32,000	29,000
Total Direct Expenses	2,105,008	1,772,533
GROSS PROFIT FROM WATER OPERATIONS	-	-
WASTEWATER OPERATIONS		
Revenues:		
Wastewater Treatment Charges	1,476,183	1,366,825
Availability to Serve	1,590	1,680
Connections and Inspections	100	836
Total Revenues	1,477,873	1,369,341
Direct Expenses:		
Pretreatment	46,826	46,780
Collection System	295,677	206,124
Treatment and Lift Stations	556,066	653,277
Total Direct Expenses	898,569	906,181
GROSS PROFIT FROM WASTEWATER OPERATIONS	579,304	463,160

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGE IN NET POSITION (CONTINUED)
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
GROSS PROFIT FROM WASTEWATER OPERATIONS	\$ 579,304	\$ 463,160
GENERAL AND ADMINISTRATIVE EXPENSES		
Depreciation	590,850	678,104
Accounting	21,470	20,473
Audit	7,500	7,000
Election	-	554
Insurance	33,703	24,027
Legal	31,585	22,203
Outsourcing and Billing	33,313	29,851
Labor and Operating	184,903	178,104
Directors' Fees and Payroll Taxes	5,968	6,136
Miscellaneous	14,746	16,100
Total General and Administrative Expenses	924,038	982,552
NET LOSS FROM OPERATIONS	(344,734)	(519,392)
NONOPERATING REVENUES		
Proceeds from Sale of Assets	1,600	-
Interest Income	96,823	95,631
Other Income	-	1,088
Total Nonoperating Revenues	98,423	96,719
NONOPERATING EXPENSES		
Loan Interest and Administrative Fees	13,817	14,292
Total Nonoperating Expenses	13,817	14,292
LOSS BEFORE CONTRIBUTIONS	(260,128)	(436,965)
CAPITAL CONTRIBUTIONS		
System Development Fees - Wastewater	24,000	11,000
Capital Project Fee	149,780	-
Total Capital Contributions	173,780	11,000
CHANGE IN NET POSITION	\$ (86,348)	\$ (425,965)

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE –
BUDGET AND ACTUAL (BUDGETARY BASIS) – WATER
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual	Variance
WATER OPERATING REVENUE			
Water Sales	\$ 1,800,000	\$ 2,058,267	\$ 258,267
Service Charges	9,000	10,507	1,507
Connections and Inspections	36,660	4,234	(32,426)
Total Water Operating Revenue	<u>1,845,660</u>	<u>2,073,008</u>	<u>227,348</u>
WATER OPERATING EXPENSES			
Water Purchases	1,800,000	2,058,267	(258,267)
Service Charges	9,000	10,507	(1,507)
Connections and Inspections	36,660	4,234	32,426
Total Water Operating Expenses	<u>1,845,660</u>	<u>2,073,008</u>	<u>(227,348)</u>
GROSS PROFIT FROM WATER OPERATIONS	-	-	-
WATER CAPITAL REVENUE			
System Development Fees	558,500	32,000	(526,500)
Inclusion Fees	295,000	-	(295,000)
Total Water Capital Revenue	<u>853,500</u>	<u>32,000</u>	<u>(821,500)</u>
WATER CAPITAL OUTLAY			
System Development Fees	558,500	32,000	526,500
Inclusion Fees	295,000	-	295,000
Total Water Capital Outlay	<u>853,500</u>	<u>32,000</u>	<u>821,500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
Funds Available - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUNDS AVAILABLE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE –
BUDGET AND ACTUAL (BUDGETARY BASIS) – WASTEWATER
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual	Variance
WASTEWATER OPERATING REVENUE			
Wastewater Treatment Charges	\$ 1,476,100	\$ 1,476,183	\$ 83
Availability to Serve	1,680	1,590	(90)
Connections and Inspections	6,000	100	(5,900)
Interest Income	75,000	96,823	21,823
Other Income	4,000	-	(4,000)
Total Wastewater Operating Revenue	<u>1,562,780</u>	<u>1,574,696</u>	<u>11,916</u>
WASTEWATER OPERATING EXPENSES			
Pretreatment	47,000	46,826	174
Collection System			
Repairs, Maintenance and Labor	187,000	257,462	(70,462)
Gas and Electric	46,200	38,215	7,985
Treatment and Lift Stations			
Chemicals	75,000	38,312	36,688
Repairs, Maintenance and Labor	286,000	262,511	23,489
Gas and Electric	174,000	131,885	42,115
Truck Expense	2,000	2,040	(40)
Landfill and Sludge Disposal	146,000	100,779	45,221
Permits	5,000	4,630	370
Laboratory	3,000	3,825	(825)
Safety and Training	1,000	100	900
Bear Creek Watershed Dues	12,000	11,984	16
Total Wastewater Operating Expenses	<u>984,200</u>	<u>898,569</u>	<u>85,631</u>
GROSS PROFIT FROM WASTEWATER OPERATIONS	578,580	676,127	97,547
WASTEWATER CAPITAL REVENUE			
System Development Fees	560,000	24,000	(536,000)
Capital Project Fee	165,000	149,780	(15,220)
Proceeds from Sale of Assets	-	1,600	1,600
Development Review	7,500	2,282	(5,218)
Miscellaneous	50,000	-	(50,000)
Inclusions	58,000	-	(58,000)
Grants	1,000	-	(1,000)
Total Wastewater Capital Revenue	<u>841,500</u>	<u>177,662</u>	<u>(663,838)</u>

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS AVAILABLE –
BUDGET AND ACTUAL (BUDGETARY BASIS) – WASTEWATER (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual	Variance
WASTEWATER NONOPERATING EXPENSES			
Accounting	\$ 30,000	\$ 21,470	\$ 8,530
Audit	7,500	7,500	-
Insurance	35,000	33,703	1,297
Legal	35,000	31,585	3,415
Outsourcing and Billing	35,000	33,313	1,687
Labor and Operating	202,000	184,903	17,097
Directors' Fees and Payroll Taxes	6,500	5,968	532
Miscellaneous	12,000	14,746	(2,746)
Building and Improvements	23,000	-	23,000
Total Wastewater Nonoperating Expenses	<u>386,000</u>	<u>333,188</u>	<u>52,812</u>
WATER DEBT SERVICE			
Loan Principal - Series 2021	95,328	95,328	-
Loan Interest - Series 2021	13,896	13,896	-
Total Water Debt Service	<u>109,224</u>	<u>109,224</u>	<u>-</u>
WASTEWATER CAPITAL OUTLAY			
Sewer Mains	250,000	142,374	107,626
Miscellaneous	50,000	51,716	(1,716)
Process Control	25,000	9,740	15,260
Headworks	145,000	19,255	125,745
Stainless Steel Gate Valves	45,000	-	45,000
Tertiary Filter	30,000	1,272	28,728
Development Review	7,500	8,651	(1,151)
Standards and Specs	18,000	-	18,000
UV Building	20,000	4,325	15,675
Lift Station HMI Replacements	15,000	15,177	(177)
WWTP Equipment	25,000	38,213	(13,213)
Total Wastewater Capital Outlay	<u>630,500</u>	<u>290,723</u>	<u>339,777</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	294,356	120,654	(173,702)
Funds Available - Beginning of Year	<u>1,808,378</u>	<u>1,821,544</u>	<u>13,166</u>
FUNDS AVAILABLE - END OF YEAR	<u><u>\$ 2,102,734</u></u>	<u><u>\$ 1,942,198</u></u>	<u><u>\$ (160,536)</u></u>

**WEST JEFFERSON COUNTY METROPOLITAN DISTRICT
RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO STATEMENT OF REVENUES,
EXPENSES, AND CHANGE IN NET POSITION
YEAR ENDED DECEMBER 31, 2024**

	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
Revenues (Budgetary Basis)	\$ 2,073,008	\$ 1,752,358	\$ 3,825,366
Development Review	-	(2,282)	(2,282)
Total Revenues per Statement of Revenues, Expenses, and Change in Net Position	<u>2,073,008</u>	<u>1,750,076</u>	<u>3,823,084</u>
Expenditures (Budgetary Basis)	2,073,008	1,631,704	3,704,712
Depreciation	-	590,850	590,850
Change in Accrued Interest Expense	-	(79)	(79)
Capital Outlay	-	(290,723)	(290,723)
Loan Principal	-	(95,328)	(95,328)
Total Expenses per Statement of Revenues, Expenses, and Change in Net Position	<u>2,073,008</u>	<u>1,836,424</u>	<u>3,909,432</u>
Change in Net Position per Statement of Revenues, Expenses, and Change in Net Position	<u>\$ -</u>	<u>\$ (86,348)</u>	<u>\$ (86,348)</u>

OTHER SUPPLEMENTARY INFORMATION

**WEST JEFFERSON COUNTY METRO DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
YEAR ENDED DECEMBER 31, 2024**

Loan No. W21F446
Colorado Water Resources and
Power Development Authority
Water Pollution Control Revolving Fund
Green Project Reserve Direct Loan
Rate of 0.50%
Principal and Interest Payable
May 1 and November 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 95,805	\$ 13,419	\$ 109,224
2026	96,284	12,939	109,223
2027	96,766	12,457	109,223
2028	97,251	11,973	109,224
2029	97,738	11,486	109,224
2030	98,227	10,997	109,224
2031	98,719	10,505	109,224
2032	99,213	10,011	109,224
2033	99,710	9,514	109,224
2034	100,209	9,015	109,224
2035	100,711	8,513	109,224
2036	101,215	8,009	109,224
2037	101,721	7,502	109,223
2038	102,231	6,993	109,224
2039	102,742	6,481	109,223
2040	103,257	5,967	109,224
2041	103,774	5,450	109,224
2042	104,293	4,930	109,223
2043	104,815	4,408	109,223
2044	105,340	3,884	109,224
2045	105,867	3,356	109,223
2046	106,398	2,826	109,224
2047	106,930	2,294	109,224
2048	107,465	1,758	109,223
2049	108,003	1,220	109,223
2050	108,544	680	109,224
2051	54,477	137	54,614
Total	<u>\$ 2,707,705</u>	<u>\$ 186,724</u>	<u>\$ 2,894,429</u>