

ACCOUNTANT'S COMPILATION REPORT

Board of Directors and Management
High View Water District
Jefferson County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances for the general and enterprise funds of High View Water District for the year ending December 31, 2022, including estimated comparative information for the year ending December 31, 2021, and the actual comparative information for the year ending December 31, 2020, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105, and the related summary of significant assumptions in accordance with the guidelines for budget presentation established by the American Institute of Certified Public Accountants (AICPA).

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budgets, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budgets.

The budgeted results may not be achieved as there will generally be differences between the budgeted and actual results. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying budgets and this report were prepared for the purpose of determining the mill levy and estimating revenues, expenditures and fund balances as required by governmental entities within the State of Colorado in accordance with C.R.S. 29-1-105, and should not be used for any other purpose. The accompanying budgets are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

Morain Bakarich, CPAs

MORAIN BAKARICH CPAs
December 13, 2021

HIGH VIEW WATER DISTRICT
Assessed Valuation, Property Tax and Mill Levy Information

	2020		2021		2022
	ADOPTED BUDGET		ADOPTED BUDGET		ADOPTED BUDGET
ASSESSED VALUATION	\$ 75,295,329	\$	76,764,294	\$	79,483,540
Mill Levy					
General Fund	0.152		0.152		0.152
Temporary Mill Levy Reduction	(0.017)		(0.017)		(0.022)
Total Mill Levy	0.135		0.135		0.130
Property Taxes					
General Fund	\$ 11,445	\$	11,668	\$	12,082
Temporary Mill Levy Reduction	(1,280)		(1,305)		(1,749)
Total Budgeted Property Taxes	\$ 10,165	\$	10,363	\$	10,333

**HIGH VIEW WATER DISTRICT
GENERAL FUND BUDGET
JANUARY 1, 2022 TO DECEMBER 31, 2022**

	2020 ACTUAL	2021 ADOPTED BUDGET	2021 ESTIMATED	2022 ADOPTED BUDGET
BEGINNING FUND BALANCE	\$ 309	\$ 327	\$ 328	\$ 329
Estimated Revenues:				
Property Taxes	10,162	10,363	10,172	10,333
Specific Ownership Taxes	762	800	800	800
Interest	2	-	-	-
Total Estimated Revenues	10,926	11,163	10,972	11,133
Total Funds Available	11,235	11,490	11,300	11,462
Estimated Expenditures:				
Directors Fees	7,500	7,500	7,500	7,500
Election	45	1,000	-	1,000
Treasurer's Fees	152	155	153	155
Reserve for Contingencies	-	-	-	-
Total Estimated Expenditures	7,697	8,655	7,653	8,655
Estimated Transfers and Other Sources (Uses)				
Transfer (To) From Enterprise Fund	3,210	2,500	3,318	2,473
Emergency Reserve	-	335	-	334
Total Expenditures Requiring Appropriation	10,907	11,490	10,971	11,462
ENDING FUND BALANCE	\$ 328	\$ -	\$ 329	\$ -

**HIGH VIEW WATER DISTRICT
ENTERPRISE FUND BUDGET
JANUARY 1, 2022 TO DECEMBER 31, 2022**

	2020 ACTUAL	2021 ADOPTED BUDGET	2021 ESTIMATED	2022 ADOPTED BUDGET
BEGINNING FUND BALANCE	\$ 1,569,344	\$ 1,589,584	\$ 1,682,212	\$ 1,748,814
Estimated Revenues:				
Water Sales	1,201,128	1,168,800	1,197,268	1,233,186
Tap Fees (Connection Fees)	-	20,000	-	18,460
Interest Income-Operating	8,456	15,000	750	1,000
Backflow Inspection Fees	-	500	500	500
Meter Reimbursement	-	350	-	350
On-Off Charges	175	250	100	200
Returned Check Fees	50	50	100	50
Transfer Fees	1,025	1,500	1,500	1,500
Late Charges	3,952	7,500	2,500	5,000
Miscellaneous Revenue	-	500	100	500
Transfer From General Fund	3,210	2,500	3,318	2,473
Total Estimated Revenues	<u>1,217,996</u>	<u>1,216,950</u>	<u>1,206,136</u>	<u>1,263,219</u>
Total Funds Available	<u>2,787,340</u>	<u>2,806,534</u>	<u>2,888,348</u>	<u>3,012,033</u>
Estimated Expenditures:				
Operating Expenditures				
Water Purchases	664,328	690,000	650,000	700,000
Accounting Services	3,006	3,500	3,500	3,500
Advertising	54	100	100	100
Audit	5,100	5,350	5,300	5,500
Vehicle Expense	2,733	7,000	5,000	5,000
Backflow	85	150	150	150
Clothing Allowance	119	250	200	250
Education	60	2,000	1,000	2,000
Employee Insurance	41,595	42,000	37,000	40,000
Engineering	2,188	10,000	7,500	10,000
General Expense	22	2,500	1,000	2,500
Insurance-General	8,215	8,500	8,120	8,500
Insurance-Worker's Compensation	5,251	5,000	5,160	5,250
Legal	3,077	5,000	3,500	5,000
Management Services	-	35,000	15,000	35,000
Membership Dues	2,426	2,500	2,500	2,500
Meter Maintenance - Lines	3,222	5,500	2,500	5,000
Office Building Repair and Maintenance	8,797	5,000	5,000	5,000
Office Utilities	1,696	1,800	1,750	1,800
Office Supplies	9,328	10,000	10,000	10,500
Answering Services	996	800	1,000	1,000
Payroll Taxes	15,174	14,157	10,720	11,110
Postage	3,299	3,250	3,250	3,500
Power	38,599	42,000	42,000	44,000
Public Relations	-	250	250	250
Repairs & Maintenance	53,538	155,000	75,000	100,000
Retirement Benefits	13,211	13,000	12,000	13,000
Salaries - Manager	32,445	-	-	-
Salaries - Office	51,323	50,000	45,500	48,000
Salaries - Other	99,065	100,000	88,000	90,000
Tools and Supplies	46	6,000	2,500	5,000
Telephone	3,055	3,250	3,100	3,250
Water Quality Control	585	750	750	750
Reserve For Contingencies	-	1,432,919	-	1,706,726
Total Operating Expenditures	<u>1,072,638</u>	<u>2,662,526</u>	<u>1,048,350</u>	<u>2,874,136</u>

**HIGH VIEW WATER DISTRICT
ENTERPRISE FUND BUDGET
JANUARY 1, 2022 TO DECEMBER 31, 2022**

	2020 ACTUAL	2021 ADOPTED BUDGET	2021 ESTIMATED	2022 ADOPTED BUDGET
Capital Expenditures				
Office Building Improvements	\$ -	\$ -	\$ -	\$ -
Facilities and Equipment	14,800	50,000	25,000	40,000
Office Furniture and Equipment	-	7,500	5,000	10,000
Water Line Replacements	17,690	50,000	25,000	50,000
Total Capital Expenditures	<u>32,490</u>	<u>107,500</u>	<u>55,000</u>	<u>100,000</u>
Estimated Transfers and Other Sources (Uses)				
Emergency Reserve	-	36,508	36,184	37,897
Total Expenditures Requiring Appropriation	<u>1,105,128</u>	<u>2,806,534</u>	<u>1,139,534</u>	<u>3,012,033</u>
Ending Fund Balance	<u>\$ 1,682,212</u>	<u>\$ -</u>	<u>\$ 1,748,814</u>	<u>\$ -</u>

**HIGH VIEW WATER DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Introduction

High View Water District, (the "District") provides portable water service to approximately 967 connecting taps in the District's service area which is located within Jefferson County. The District maintains its distribution system, and charges each customer based on metered water usage. The District contracts with Denver Water for water services.

The 2022 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2022 fiscal year based on available revenues. This budget provides for the general operations of the District, and a business-like enterprise for the transmission of water, and capital repair to the transmission system.

The District's 2021 assessed value increased 3.5% to \$79,483,540 for the 2022 budget year. The District's net mill levy decreased to .130 mills in accordance with the TABOR amendment to the Colorado Constitution. The District's mill levy is expected to generate approximately \$10,333 in property tax revenue.

Budgetary Basis of Accounting

The District uses funds to budget and report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions. The various funds determine the total District budget.

The District's General fund is considered a Governmental Fund and is reported using the economic resources focus and the modified accrual basis of accounting. Property taxes are recognized as revenues in the year for which they are levied. The District's Water Enterprise fund budget is prepared under the full accrual basis of accounting. Revenues are recorded when earned and expenses recorded when the liability is incurred, regardless of the timing of the related cash flows.

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services, treatment charges and other expenses related to statutory operations of a local government. The General Fund's primary sources of revenue are property taxes and specific ownership taxes.

Water Enterprise Fund accounts for the operations that are financed and operated in a manner similar to private business enterprise, where the intent is that costs of providing services to the public on a continuing basis be financed primarily through a combination user charges. The District contracts for repair and maintenance services. Maintenance and repairs have been estimated by the District's engineer. The estimated expenditures include periodic cleaning of certain mains. Capital outlay expenditures in the enterprise fund include repairs to the system which was constructed approximately 40 years ago.

Emergency Reserve

As required by Section 20 of Article X of the Colorado Constitution ("TABOR"), the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenue in the General Fund.