

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, 2023, including estimated comparative information for the year ending December 31, 2022, and the actual comparative information for the year ending December 31, 2021, 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
December 9, 2022

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

	2021 ADOPTED BUDGET	2022 ADOPTED BUDGET	2023 ADOPTED BUDGET
ASSESSED VALUATION	\$ 76,764,294	\$ 79,486,540	\$ 78,540,295
Mill Levy			
General Fund	0.152	0.152	0.152
Temporary Mill Levy Reduction	(0.017)	(0.022)	(0.022)
Total Mill Levy	0.135	0.130	0.130
Property Taxes			
General Fund	\$ 11,668	\$ 12,082	\$ 11,938
Temporary Mill Levy Reduction	(1,305)	(1,749)	(1,728)
Total Budgeted Property Taxes	\$ 10,363	\$ 10,333	\$ 10,210

**HIGH VIEW WATER DISTRICT
GENERAL FUND BUDGET
JANUARY 1, 2023 TO DECEMBER 31, 2023**

	2021 ACTUAL	2022 ADOPTED BUDGET	2022 ESTIMATED	2023 ADOPTED BUDGET
BEGINNING FUND BALANCE	\$ 328	\$ 329	\$ 329	\$ 333
Estimated Revenues:				
Property Taxes	10,160	10,333	10,314	10,210
Specific Ownership Taxes	793	800	775	800
Interest	-	-	10	-
Total Estimated Revenues	10,953	11,133	11,099	11,010
Total Funds Available	11,281	11,462	11,428	11,343
Estimated Expenditures:				
Directors Fees	8,000	7,500	7,500	7,500
Election	-	1,000	100	1,000
Treasurer's Fees	152	155	155	153
Reserve for Contingencies	-	-	-	-
Total Estimated Expenditures	8,152	8,655	7,755	8,653
Estimated Transfers and Other Sources (Uses)				
Transfer (To) From Enterprise Fund	2,800	2,472	3,340	2,360
Emergency Reserve	-	335	-	330
Total Expenditures Requiring Appropriation	10,952	11,462	11,095	11,343
ENDING FUND BALANCE	\$ 329	\$ -	\$ 333	\$ -

**HIGH VIEW WATER DISTRICT
ENTERPRISE FUND BUDGET
JANUARY 1, 2023 TO DECEMBER 31, 2023**

	2021 ACTUAL	2022 ADOPTED BUDGET	2022 ESTIMATED	2023 ADOPTED BUDGET
BEGINNING FUND BALANCE	\$ 1,682,212	\$ 1,748,814	\$ 1,796,347	\$ 1,754,331
Estimated Revenues:				
Water Sales	1,198,162	1,233,186	1,244,946	1,332,092
Tap Fees (Connection Fees)	8,711	18,460	-	-
Interest Income-Operating	623	1,000	9,500	10,000
Inspection Fees	525	500	500	500
Meter Reimbursement	350	350	350	350
On-Off Charges	100	200	100	200
Returned Check Fees	175	50	500	250
Transfer Fees	1,350	1,500	1,000	1,500
Late Charges	4,129	5,000	5,500	5,500
Miscellaneous Revenue	92	500	750	500
Transfer From General Fund	2,800	2,473	3,340	2,360
Total Estimated Revenues	<u>1,217,017</u>	<u>1,263,219</u>	<u>1,266,486</u>	<u>1,353,252</u>
Total Funds Available	<u>2,899,229</u>	<u>3,012,033</u>	<u>3,062,833</u>	<u>3,107,583</u>
Estimated Expenditures:				
Operating Expenditures				
Water Purchases	648,964	700,000	700,000	750,000
Accounting Services	3,720	3,500	3,500	3,750
Advertising	30	100	100	100
Audit	5,300	5,500	5,800	6,000
Vehicle Expense	5,986	5,000	5,500	6,000
Backflow	123	150	150	150
Clothing Allowance	180	250	200	250
Education	556	2,000	1,000	1,500
Employee Insurance	34,355	40,000	41,000	43,000
Engineering	19,646	10,000	18,000	20,000
General Expense	-	2,500	3,750	3,000
Insurance-General	8,120	8,500	7,625	8,500
Insurance-Worker's Compensation	4,246	5,250	3,072	5,000
Legal	3,906	5,000	4,000	5,000
Management Services	21,478	35,000	25,000	35,000
Membership Dues	2,468	2,500	2,500	2,500
Meter Maintenance - Lines	936	5,000	20,000	7,500
Office Building Repair and Maintenance	1,987	5,000	5,000	5,000
Office Utilities	1,801	1,800	2,000	2,500
Office Supplies	13,111	10,500	10,000	12,500
Answering Services	984	1,000	1,000	1,000
Payroll Taxes	12,248	11,110	11,960	12,428
Postage	2,915	3,500	3,250	3,500
Power	45,737	44,000	45,000	46,000
Public Relations	-	250	250	250
Locates	597	-	500	1,000
Repairs & Maintenance	40,791	100,000	75,000	100,000
Retirement Benefits	11,302	13,000	12,000	13,000
Salaries - Office	47,202	48,000	57,500	60,375
Salaries - Other	92,053	90,000	91,000	95,550
Tools and Supplies	607	5,000	1,000	5,000
Telephone	2,987	3,250	3,250	3,500
Water Quality Control	549	750	600	750
Reserve For Contingencies	-	1,706,726	-	1,647,382
Total Operating Expenditures	<u>1,034,885</u>	<u>2,874,136</u>	<u>1,160,507</u>	<u>2,906,985</u>

**HIGH VIEW WATER DISTRICT
ENTERPRISE FUND BUDGET
JANUARY 1, 2023 TO DECEMBER 31, 2023**

	2021 ACTUAL	2022 ADOPTED BUDGET	2022 ESTIMATED	2023 ADOPTED BUDGET
Capital Expenditures				
Office Building Improvements	\$ -	\$ -	\$ -	\$ -
Facilities and Equipment	-	40,000	5,000	50,000
Office Furniture and Equipment	6,690	10,000	5,000	10,000
Water Line Replacements	61,307	50,000	100,000	100,000
Total Capital Expenditures	<u>67,997</u>	<u>100,000</u>	<u>110,000</u>	<u>160,000</u>
Estimated Transfers and Other Sources (Uses)				
Emergency Reserve	-	37,897	37,995	40,598
Total Expenditures Requiring Appropriation	<u>1,102,882</u>	<u>3,012,033</u>	<u>1,308,502</u>	<u>3,107,583</u>
Ending Fund Balance	<u>\$ 1,796,347</u>	<u>\$ -</u>	<u>\$ 1,754,331</u>	<u>\$ -</u>

**HIGH VIEW WATER DISTRICT
2023 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 2023 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2023 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 2022 assessed value decreased 1.2% to \$78,540,295 for the 2023 budget year. The District's net mill levy remained the same at .130 mills, in accordance with the TABOR amendment to the Colorado Constitution. The District's mill levy is expected to generate approximately \$10,210 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.