

DONALA WATER AND SANITATION DISTRICT
REGULAR BOARD MEETING AGENDA
May 16, 2024

MEETING TIME & PLACE:

1:30 P.M.

DONALA WATER & SANITATION DISTRICT
15850 HOLBEIN DRIVE, COLORADO SPRINGS, CO 80921

Agenda

1. Call to Order
2. Pledge of Allegiance
3. Approval of Agenda
4. Public Comment on Items not on the Agenda
5. Minutes from April 18th, 2024
6. Financial Reports
7. Presentations:
 - a. Audit Presentation
8. Reports:
 - a. General Manager
 - b. Water
 - c. Wastewater
 - d. Consultants
9. Directors Comments
10. Public Comments
11. Executive
 - a. CRS§24-6-402 (4) (f) – Jeff Hodge, General Manager, Annual Review.
12. Adjourn

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
WORKSHOP MEETING MINUTES
April 18, 2024

The Board of Directors of the Donala Water and Sanitation District met in a workshop session at the District's water treatment facility, 15850 Holbein Drive, El Paso County, Colorado on April 18, 2024 at 10:00 A.M.

Directors Present: Wayne Vanderschuere
Bill George (excused absence)
Kevin Deardorff
Ed Miller
Scott McCulloch

Staff Present: Jeff Hodge
Carla Edwards

Consultants Present: Roger Sams (GMS)

Guests: James Howald (OCN)

President Vanderschuere called the meeting to order at 10:06 A.M.

Workshop Presentation by Jeff Hodge:

- **Review of Financial Policy**
 - Hodge discussed a recap of Donala's Financial Policy including bond reserves, strategic reserves, capital reserves, and operating reserves.
 - As of March 2024-Donala has 1.25 million in Bond Reserve Funds, 2.12 million in strategic reserve funds, 3.49 million in capital reserve funds, and 2.55 million in operating reserve funds.
- **Water Demand**
 - Donala has 4 water tanks that were constructed throughout the District. This was based upon the initial need of 1400-acre feet of water demand. Vanderschuere stated if you were building our system now, you wouldn't need to build a 4-tank system because our demand is now 750-acre feet.
 - LRE did a well field study which will help determine a rehab schedule for the wells and help budget for any new parts or maintenance that may need done.
 - Hodge stated a review of electrical costs was completed to see how to operate the plants and wells most efficiently.
- **Integration Water Master Plan**
 - Hodge stated that Donala approved going out to bid on acquiring the easements, engineering, surveying, and negotiations for the alignment to bring water from the Fountain/Williams Creek area up East over to Marksheffel Road, similarly to the SDS. Then at Marksheffel and Tamlin there is an existing Sundance with Cherokee that runs up North and to the East of Donala about three miles.
 - Hodge gave an update on the Loop, and noted the timeframe is realistically three to five years out for construction. Also, ARPA money must be encumbered by December.
 - Vanderschuere mentioned the potential of completing the build out of the Loop in phases to help save money on the front end and entice more partnerships. He also mentioned the Laughlin water right is next to where the Loop will take its intake from, which is a very convenient location if it all comes together.

- Hodge discussed Aquifer Storage Recharge and said it will be great to replenish our Aquifer. We are still working on our grant with LRE for this project. Initially CSU water would be used for this study and then eventually the Loop water.
- Hodge stated Direct Potable Reuse is another great option Donala can utilize. The biggest issue with this option is public acceptance.
- Vanderschuere stated the whole idea is to have flexibility and diversity in both supply and delivery methods.
- Regarding Donala's R. Hull Plant Rehabilitation, Hodge said, it would be around 2.5 million dollars to complete. There is a raw water line that comes up to the Holbein plant and it is a possibility that we may not need the R. Hull Plant in the future.
- Holbein's plant has already had rehab work completed recently and we already have a second water plant not being utilized at the Holbein location that if rehabbed would be cheaper than rehabbing R. Hull.
- McCulloch asked if the R. Hull Plant was rehabbed once the Loop was in place, how much utilization it would get? Hodge responded the plant would see very little use. McCulloch asked if we need the plant and Hodge stated no, he doesn't believe so and he is going through the process of collecting all the data and coming up with a plan.
- Hodge discussed how Well 14A could be a big producer, however it's high in Radium. Now with the HMO process, we would be able to utilize this well.

Five-minute recess (11:25 A.M.-11:30 A.M.)

- Hodge stated, we need to hire a group to camera our collection system and determine if there is any damage and/or areas that need maintenance.
- **Cybersecurity by Jeff Hodge:**
 - We have the office on a separate server than SCADA.
 - Operators can only monitor the SCADA from their iPads. They cannot control the panel remotely.
 - We have a static IP and a fiber connection. We also have a firewall and patch updates that happen on a regular basis.
 - All employees had Cybersecurity training recently.
 - Servers are backed up daily.
 - Deardorff suggested we put an Information Security Policy in place. Hodge requested input from the board to help with policy suggestions.
- **Emergency Planning by Jeff Hodge:**
 - Aaron has been updating the waste plant emergency plan and continues to make sure it is current.
 - McCulloch asked if we have an employee notification tree. Hodge stated we do not have a formal notification tree in place, we just send text messages when necessary.
 - We need to formalize when Board Member are notified on "bigger measures" such as, fire, large outages, or injuries.
 - We also need to formalize a delegation of jobs through a job chart.

Meeting adjourned at 12:35 P.M.

These minutes are respectfully submitted for record by Carla Edwards on May 9, 2024.

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
April 18, 2024

The Board of Directors of the Donala Water and Sanitation District met in regular session at the District's water treatment facility, 15850 Holbein Drive, El Paso County, Colorado on April 18, 2024 at 1:30 P.M.

Directors Present: Wayne Vanderschuere
Bill George (excused absence)
Kevin Deardorff
Ed Miller
Scott McCulloch

Staff Present: Jeff Hodge
Carla Edwards
Ronny Wright
Aaron Tolman

Consultants Present: Roger Sams (GMS)
Brett Gracely (LRE)

Guests: James Howald (OCN)
Jackie Burhans (OCN)

President Vanderschuere called the meeting to order at 1:30 P.M.

Approval of Agenda:

- No changes to the agenda.

Public Comment Non-Agenda Items:

- No public comment.

Review of Minutes:

- Minutes from March 21, 2024, Regular Board Meeting accepted.
 - Miller motioned to approve, Deardorff seconds, all aye.

Review of Financial Statements and Check Summaries:

- Hodge stated revenues are where they need to be, and we are well within budget.
- Approval of Financials
 - Miller motioned to approve, Deardorff seconds, all aye.

General Manager Report by Jeff Hodge:

- Attended the Loop meeting and discussed two important items:
 - Approve a request to go out for an RFP to look for firms to finalize the alignment of the waterline.
 - Also, to start working on the civil design for the treatment facilities that would be located at the JVA Ranch area.
- Money for ARPA needs to be encumbered fully by December 31, 2024.
- DU Water Law Symposium is taking place on April 19th.
- The Quarterly Wastewater Ops Meeting took place in April. The NMCI is still moving forward.

Water Report by Ronny Wright:

- Finished some cleaning and maintenance on the lower plant. Replaced the grates on one of the filters, still waiting on one of the clearwater pumps to be returned (still waiting on a propeller).
- The upper plant is working well. No issues.
- Finished new source water sampling, just waiting for results to come back from the lab.
- Well 11D pump seized, it had multiple VFD fails and Layne had to come down to try multiple times to restart the well. Layne is working on a cost estimate to fix the issue. This is one of the wells that needs rehabbed.
- Viking and S&S Coating will be working on the water tanks doing sand blasting and coating, respectively, beginning in May.

Wastewater Report by Aaron Tolman:

- E. Coli is at 23.0 MPN, which is a little elevated from last month, but still within limits.
- W.E.T. testing is being completed next month. We are waiting for the results.

Consultants Comments:

- Gracely stated LRE is completing the paperwork to access our grant money we were awarded for the ASR pilot program.
- Gracely also said Donala's Pueblo Reservoir water was spilled due to the level being too high during run-off season. Predicting an average yield this year.
- Vanderschuere asked if this happened again in the future, would we be able to sell the water instead of spilling it.
- Gracely stated, yes, this could be a possibility between AGRA and Triview. This would be through a process called book or water reservoir exchange. It would take some prior planning and completion of a settlement or court dates through Triview's decrees since they have several active cases.
- Sams is working on putting together the fees that are owed by the Monument Fire Station upgrades.

Directors Comments:

- Vanderschuere stated, on June 6th, Mountain View is hosting their annual meeting. Hodge and himself will be attending the presentation. That same evening CSU will also be giving a presentation. If anyone wants to attend either event let him know.
- Deardorff asked if TAP fees are dependent on the size of the pipe. Hodge responded that they are based upon the connection. Basically, one in the same.
- Deardorff also wanted to know if Donala does an inspection of the pipes and connections. Hodge responded, yes, we always perform an inspection.

Public Comment:

- Burhans wanted to know which fire house we were referring to in the meeting. Edwards responded, with Monument Fire.

Meeting adjourned at 2:46 P.M.

These minutes are respectfully submitted for record by Carla Edwards on May 9th, 2024.



	Current	Period	Fiscal	Variance	Percent	
	Total Budget	Activity	Activity	Favorable (Unfavorable)	Remaining	
Fund: 02 - Water Fund						
Revenue						
02-00-00-40010	Water Sales	3,025,302.00	181,881.67	724,074.48	(2,301,227.52)	
02-00-00-40020	Effluent/Augment	158,000.00	7,946.44	25,434.54	(132,565.46)	
02-00-00-40030	Sewer Sales	1,607,894.00	132,363.06	532,211.04	(1,075,682.96)	
02-00-00-40060	AVS Revenue	2,975.00	-	2,625.00	(350.00)	
02-00-00-42001	Property Tax	2,653,032.00	-	935,571.94	(1,717,460.06)	
02-00-00-42002	MV/SO Property Tax	175,000.00	-	59,795.61	(115,204.39)	
02-00-00-43000	Capital Project Interest	160,000.00	-	47,555.89	(112,444.11)	
02-00-00-43001	Strategic Planning Interest	50,000.00	-	14,810.81	(35,189.19)	
02-00-00-43002	Operating Reserve Interest	140,000.00	-	34,385.00	(105,615.00)	
02-00-00-43003	Property Tax Interest	55,000.00	-	23,108.91	(31,891.09)	
02-00-00-44000	Water Penalty Account	-	1,064.86	3,129.27	3,129.27	
02-00-00-44001	Sewer Penalty Account	-	644.43	1,689.78	1,689.78	
02-00-00-45000	L.T. Investment Revenue	189,000.00	-	46,800.18	(142,199.82)	
02-00-00-47005	Raidum	1,150,000.00	-	66,050.45	(1,083,949.55)	
02-00-00-47006	Loop Reimbursement	500,000.00	-	-	(500,000.00)	
02-00-00-47400	Triview Waste Plant Rev	957,838.00	-	-	(957,838.00)	
02-00-00-47403	Forest Lakes Waste Plant Rev	151,584.00	-	-	(151,584.00)	
02-00-00-49900	Miscellaneous Revenue	35,000.00	1,948.51	15,233.10	(19,766.90)	
02-00-00-49901	Bond Proceeds	10,000,000.00	-	-	(10,000,000.00)	
	Revenue Total:	\$ 21,010,625.00	\$ 325,848.97	\$ 2,532,476.00	\$ (18,478,149.00)	87.95%
Expense						
02-00-00-54010	Salary-Office	-	-	-	-	
02-00-00-54400	457 Plan-Donala Expense	-	-	-	-	
02-00-00-54410	Insurance-Health	-	-	-	-	
02-00-00-54500	Salary-Board Members	-	-	-	-	
02-00-00-56650	Debt Reserve	1,250,000.00	-	-	1,250,000.00	
02-01-00-54010	Salary-Office	291,138.00	24,731.76	98,676.29	192,461.71	
02-01-00-54210	Payroll Office Tax	21,835.00	-	-	21,835.00	
02-01-00-54400	457 Plan-Donala Expense	20,380.00	1,467.56	11,932.65	8,447.35	
02-01-00-54410	Insurance-Health	223,881.00	15,732.51	44,378.68	179,502.32	
02-01-00-54420	Disability, Life Ins.	14,072.00	1,073.42	4,171.23	9,900.77	
02-01-00-54430	Identity Protection	2,088.00	140.00	580.00	1,508.00	
02-01-00-54450	WASTE PLT./Salary,Taxes	1,087,453.00	-	-	1,087,453.00	
02-01-00-54500	Salary-Board Members	1,200.00	-	-	1,200.00	
02-01-00-54501	Payroll-Board of Directors	6,000.00	538.25	2,153.00	3,847.00	
02-01-00-57002	Miscellaneous Expense	5,000.00	-	3,279.75	1,720.25	
02-01-00-58001	Credit Card Expense	-	4,277.50	15,905.34	(15,905.34)	
02-01-00-58005	Office Expenses	61,434.00	1,562.80	12,144.79	49,289.21	
02-01-00-58010	Large Office Equipment	20,000.00	-	-	20,000.00	
02-01-00-58015	Publication Expenses	5,500.00	-	-	5,500.00	
02-01-00-58020	Auditing/Accounting Expense	26,500.00	18,600.00	18,600.00	7,900.00	
02-01-00-58025	County Treas. Fee-G.F.	42,500.00	-	14,061.09	28,438.91	
02-01-00-58035	Fees, Permits	15,000.00	5,000.00	18,893.61	(3,893.61)	
02-01-00-58040	Insurance-Bldg.	90,602.00	-	35,299.00	55,303.00	
02-01-00-58045	Insurance-Auto Ins.	-	-	15,735.00	(15,735.00)	
02-01-00-58055	Insurance_Liability & Auto	-	-	42,060.67	(42,060.67)	
02-01-00-58056	Insurance-Workmen's Comp.	20,391.00	9,499.00	14,927.00	5,464.00	
02-01-00-58060	Legal - General	110,000.00	2,145.00	5,428.00	104,572.00	
02-01-00-58065	Legal - Water	9,000.00	468.50	5,698.50	3,301.50	
02-01-00-58070	Training Expenses	20,000.00	503.84	13,351.24	6,648.76	

		Current	Period	Fiscal	Variance	Percent
		Total Budget	Activity	Activity	(Unfavorable)	Remaining
02-01-00-58075	Contract Services	152,440.00	4,348.68	18,021.39	134,418.61	
02-01-00-58080	Communications	25,000.00	2,975.17	8,340.62	16,659.38	
02-02-00-50100	Water Rights	60,000.00	-	-	60,000.00	
02-02-00-52000	Repair & Maintenance- General	200,000.00	2,121.75	24,971.80	175,028.20	
02-02-00-52010	Tools & Equipment	15,000.00	-	-	15,000.00	
02-02-00-52070	Water and Well Engineering	420,000.00	6,456.58	24,139.10	395,860.90	
02-02-00-52110	Civil Engineering	111,500.00	15,133.23	22,705.23	88,794.77	
02-02-00-53006	Fuel	15,000.00	774.22	2,792.86	12,207.14	
02-02-00-53012	Truck Maintenance	38,000.00	-	-	38,000.00	
02-02-00-54020	Salary-Water Operations	510,263.59	48,677.27	206,269.05	303,994.54	
02-02-00-54220	Payroll-Water Tax	38,270.00	-	-	38,270.00	
02-02-00-54400	457 Plan-Donala Expense	35,718.00	3,014.59	11,970.43	23,747.57	
02-02-00-54410	Insurance-Health	-	-	16,719.38	(16,719.38)	
02-02-00-54451	Triview Waste Plant Exp	957,838.00	-	-	957,838.00	
02-02-00-54452	Forest Lakes Waste Plant Ex	151,584.00	-	-	151,584.00	
02-02-00-56610	CWRPDA Principal \$5M	276,522.00	-	137,641.00	138,881.00	
02-02-00-56615	CWAP Interest-\$5M	35,085.82	-	19,627.64	15,458.18	
02-02-00-56620	2020 Bond B	210,000.00	-	-	210,000.00	
02-02-00-56625	2020 Bond B INT	104,613.50	-	52,306.75	52,306.75	
02-02-00-56635	2020 Bond A INT	116,850.00	-	58,425.00	58,425.00	
02-02-00-57002	Miscellaneous Expense	5,000.00	-	1,794.54	3,205.46	
02-02-00-57100	Tabor Reserves	330,252.74	-	-	330,252.74	
02-02-00-57110	Contingency Exp	100,000.00	-	-	100,000.00	
02-02-00-58070	Training Expenses	15,000.00	-	1,491.72	13,508.28	
02-02-00-58075	Contract Services	29,500.00	1,560.65	4,103.55	25,396.45	
02-02-00-60000	Capital Projects - General	533,000.00	-	-	533,000.00	
02-02-00-60001	Capital Reimbursement Bond	10,000,000.00	-	-	10,000,000.00	
02-02-00-60002	Radium Removal	1,150,000.00	1,355.00	28,417.97	1,121,582.03	
02-02-00-60003	Loop Group	500,000.00	-	240.00	499,760.00	
02-02-01-52000	Repair & Maintenance - SCADA	-	9,509.25	16,269.25	(16,269.25)	
02-02-41-52000	Repair & Maintenance	13,000.00	-	-	13,000.00	
02-02-41-52010	Tools & Equipment	5,000.00	-	-	5,000.00	
02-02-41-52030	Residuals Management	50,000.00	7,880.00	11,910.11	38,089.89	
02-02-41-55030	Natural Gas	1,815.00	100.07	387.45	1,427.55	
02-02-43-52000	Repair & Maintenance	5,000.00	-	2,142.03	2,857.97	
02-02-43-52010	Tools & Equipment	5,000.00	-	-	5,000.00	
02-02-43-55030	Natural Gas	4,300.00	238.40	947.16	3,352.84	
02-02-45-51009	Hazardous Materials Charges	125.00	0.50	1.00	124.00	
02-02-45-51015	Caustic Soda	12,800.00	975.21	3,344.04	9,455.96	
02-02-45-51030	Chlorine (Sodium Hypochloride)	6,600.00	879.68	1,409.24	5,190.76	
02-02-45-51040	Potassium Permanganate	1,375.00	715.00	715.00	660.00	
02-02-45-51060	Lab & Analytical Equip	10,000.00	-	-	10,000.00	
02-02-45-51070	Lab Tests	12,000.00	-	-	12,000.00	
02-02-45-51080	Chem-Other	1,033.00	152.61	324.28	708.72	
02-02-45-52000	Repair & Maintenance	50,000.00	9,491.82	14,981.82	35,018.18	
02-02-45-52010	Tools & Equipment	10,000.00	-	-	10,000.00	
02-02-45-55010	Utilities-Electric	71,240.00	5,226.00	15,441.00	55,799.00	
02-02-45-55030	Natural Gas	880.00	44.21	184.23	695.77	
02-02-45-60000	Capital Projects	39,800.00	-	-	39,800.00	
02-02-47-51000	Acetylene	635.00	73.78	209.38	425.62	
02-02-47-51009	Hazardous Materials Charges	415.00	41.91	124.73	290.27	
02-02-47-51015	Caustic Soda	9,100.00	2,150.42	2,488.82	6,611.18	
02-02-47-51020	Oxygen	620.00	66.34	188.74	431.26	
02-02-47-51030	Chlorine (Sodium Hypochloride)	4,500.00	944.35	1,733.91	2,766.09	
02-02-47-51040	Potassium Permanganate	3,500.00	715.00	715.00	2,785.00	
02-02-47-51060	Lab & Analytical Equip	10,000.00	339.02	2,445.45	7,554.55	
02-02-47-51070	Lab Tests	12,000.00	-	513.90	11,486.10	
02-02-47-51080	Chem-Other	930.00	210.44	262.16	667.84	

		Current	Period	Fiscal	Favorable	Percent
		Total Budget	Activity	Activity	(Unfavorable)	Remaining
02-02-47-52000	Repair & Maintenance	50,000.00	685.00	1,501.00	48,499.00	
02-02-47-52010	Tools & Equipment	10,000.00	-	1,770.42	8,229.58	
02-02-47-55010	Utilities-Electric	60,918.00	8,612.00	11,198.00	49,720.00	
02-02-47-55030	Natural Gas	3,800.00	144.88	689.29	3,110.71	
02-02-47-60000	Capital Projects	75,900.00	-	-	75,900.00	
02-02-49-52000	Repair & Maintenance	7,500.00	-	-	7,500.00	
02-02-49-55010	Utilities-Electric	2,600.00	626.00	1,233.00	1,367.00	
02-02-49-55030	Natural Gas	300.00	26.17	72.76	227.24	
02-02-49-60000	Capital Projects	20,000.00	-	-	20,000.00	
02-02-93-58080	Communications	4,800.00	199.36	598.08	4,201.92	
02-03-71-52000	Repair & Maintenance	12,000.00	-	4,761.43	7,238.57	
02-03-71-55010	Utilities-Electric	2,700.00	814.00	1,549.00	1,151.00	
02-03-71-60000	Capital Projects	55,000.00	-	-	55,000.00	
02-03-73-52000	Repair & Maintenance	10,000.00	-	585.97	9,414.03	
02-03-73-55010	Utilities-Electric	5,200.00	1,014.64	2,220.41	2,979.59	
02-03-73-60000	Capital Projects	55,000.00	-	-	55,000.00	
02-03-75-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-03-75-55010	Utilities-Electric	150.00	-	-	150.00	
02-04-01-52000	Repair & Maintenance	250,000.00	-	-	250,000.00	
02-04-01-55010	Utilities-Electric	50,596.00	3,801.00	9,989.00	40,607.00	
02-04-03-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-03-60000	Capital Projects	39,000.00	-	-	39,000.00	
02-04-05-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-05-60000	Capital Projects	39,000.00	-	-	39,000.00	
02-04-07-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-07-55010	Utilities-Electric	15,536.00	1,169.00	2,561.00	12,975.00	
02-04-07-60000	Capital Projects	39,000.00	-	-	39,000.00	
02-04-09-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-13-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-13-55010	Utilities-Electric	50,450.00	2,248.00	4,496.00	45,954.00	
02-04-15-52000	Repair & Maintenance	250,000.00	-	-	250,000.00	
02-04-15-55010	Utilities-Electric	49,724.00	3,796.00	12,288.00	37,436.00	
02-04-17-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-17-55010	Utilities-Electric	13,015.00	4,166.00	6,003.00	7,012.00	
02-04-19-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-19-55010	Utilities-Electric	33,568.00	11,281.00	15,645.00	17,923.00	
02-04-19-55030	Natural Gas	660.00	37.18	146.61	513.39	
02-04-21-55010	Utilities-Electric	22,229.00	-	-	22,229.00	
02-04-23-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-23-55010	Utilities-Electric	16,051.00	276.00	554.00	15,497.00	
02-04-25-52000	Repair & Maintenance	10,000.00	2,944.67	128,919.04	(118,919.04)	
02-04-25-60000	Capital Projects	-	67,881.28	160,169.08	(160,169.08)	
02-04-61-52000	Repair & Maintenance	7,500.00	6,279.85	6,279.85	1,220.15	
02-04-61-55010	Utilities-Electric	2,000.00	389.00	890.00	1,110.00	
02-04-61-60000	Capital Projects	351,417.00	-	-	351,417.00	
02-04-63-52000	Repair & Maintenance	7,500.00	-	-	7,500.00	
02-04-63-60000	Capital Projects	351,417.00	-	-	351,417.00	
02-04-65-52000	Repair & Maintenance	7,500.00	-	-	7,500.00	
02-04-65-60000	Capital Projects	351,417.00	-	-	351,417.00	
02-04-81-52000	Repair & Maintenance	6,000.00	-	3,242.94	2,757.06	
02-04-81-55010	Utilities-Electric	24,090.00	2,886.00	5,852.00	18,238.00	
02-04-81-60000	Capital Projects	17,000.00	-	-	17,000.00	
02-04-83-52000	Repair & Maintenance	6,000.00	-	-	6,000.00	
02-04-83-55030	Natural Gas	1,250.00	91.42	312.06	937.94	
02-04-83-60000	Capital Projects	17,000.00	-	-	17,000.00	
02-04-85-52000	Repair & Maintenance	6,000.00	-	-	6,000.00	
02-04-85-55010	Utilities-Electric	-	1,543.00	4,245.00	(4,245.00)	
02-04-85-55030	Natural Gas	380.00	26.17	72.76	307.24	

	Current Total Budget	Period Activity	Fiscal Activity	Favorable (Unfavorable)	Percent Remaining
02-04-85-60000 Capital Projects	17,000.00	-	-	17,000.00	
02-04-91-59900 Colo. Spgs Util Water	997,051.17	15,294.47	45,883.41	951,167.76	
02-04-91-59901 Pueblo Water Lease Agmt.	-	100.89	11,693.63	(11,693.63)	
02-04-93-52000 Repair & Maintenance	100,000.00	-	-	100,000.00	
Expense Total:	\$ 23,431,748.82	\$ 348,244.27	\$ 1,539,414.31	\$ 21,892,334.51	93.43%

Fund: 03 - Wastewater Fund

Revenue

03-00-00-47001 FL O & M Payments	151,584.38	8,350.23	42,033.74	(109,550.64)	
03-00-00-48003 PD-DWSD Salary, Taxes	1,087,453.13	52,065.45	238,107.96	(849,345.17)	
03-00-00-49900 Miscellaneous Revenue	-	-	71.30	71.30	
03-50-00-47000 Triview O & M Payments	957,837.50	57,193.19	253,380.44	(704,457.06)	
Revenue Total:	\$ 2,196,875.01	\$ 117,608.87	\$ 533,593.44	\$ (1,663,281.57)	75.71%

Expense

03-00-00-52110 Civil Engineering	-	724.20	724.20	(724.20)	
03-50-00-51011 Magnesium Hydroxide	55,000.00	-	17,056.00	37,944.00	
03-50-00-51050 Polymer	32,000.00	5,933.31	11,865.35	20,134.65	
03-50-00-51060 Lab & Analytical Equip	31,500.00	167.34	6,487.95	25,012.05	
03-50-00-51070 Lab Tests	43,200.00	1,973.00	8,368.22	34,831.78	
03-50-00-52000 Repair & Maintenance	315,703.00	10,529.94	103,358.77	212,344.23	
03-50-00-52010 Tools & Equipment	200,000.00	-	-	200,000.00	
03-50-00-52020 Biosolids Hauling	150,000.00	9,430.67	30,526.56	119,473.44	
03-50-00-52050 Engineering-WP	11,000.00	-	-	11,000.00	
03-50-00-52060 AFCURE	45,600.00	200.00	4,325.00	41,275.00	
03-50-00-53006 Fuel	3,020.00	134.01	453.10	2,566.90	
03-50-00-53012 Truck Maintenance	5,000.00	-	-	5,000.00	
03-50-00-54030 Salary-Regional WWTF	582,260.20	35,341.45	143,624.08	438,636.12	
03-50-00-54230 Payroll-Regional	43,669.50	-	-	43,669.50	
03-50-00-54400 457 Plan-Donala Expense	40,758.20	2,126.17	15,561.27	25,196.93	
03-50-00-54410 Insurance-Health	148,305.00	6,531.19	37,769.92	110,535.08	
03-50-00-54420 Disability, Life Ins.	6,702.00	458.68	1,834.72	4,867.28	
03-50-00-54430 Identity Protection	780.00	30.00	132.00	648.00	
03-50-00-55010 Utilities-Electric	221,104.00	41,480.85	66,004.82	155,099.18	
03-50-00-55020 Propane	60,000.00	-	17,200.75	42,799.25	
03-50-00-57002 Miscellaneous Expense	2,500.00	-	724.21	1,775.79	
03-50-00-57110 Contingency Exp	50,000.00	-	-	50,000.00	
03-50-00-58005 Office Expenses	3,300.00	-	533.58	2,766.42	
03-50-00-58015 Publication Expenses	600.00	-	-	600.00	
03-50-00-58035 Fees, Permits	10,000.00	-	-	10,000.00	
03-50-00-58040 Insurance-Bldg.	40,545.00	-	37,695.00	2,850.00	
03-50-00-58045 Insurance-Auto Ins.	-	-	2,124.00	(2,124.00)	
03-50-00-58055 Insurance_Liability & Auto	-	-	7,170.00	(7,170.00)	
03-50-00-58056 Insurance-Workmen's Comp.	11,328.00	-	8,141.33	3,186.67	
03-50-00-58060 Legal - General	3,000.00	-	-	3,000.00	
03-50-00-58070 Training Expenses	7,500.00	-	3,195.56	4,304.44	
03-50-00-58075 Contract Services	24,500.00	1,870.80	6,728.35	17,771.65	
03-50-00-58080 Communications	8,000.00	677.26	3,385.73	4,614.27	
03-50-00-60500 Capital Projects	40,000.00	-	-	40,000.00	
Expense Total:	\$ 2,196,874.90	\$ 117,608.87	\$ 534,990.47	\$ 1,661,884.43	75.65%



Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Fund: 02 - Water Fund					
Chief Petroleum Company	11321	04/03/2024	16A Well sampling generator	02-04-25-52000	1,094.67
Cyberbasement	11326	04/03/2024	May website maintenance	02-01-00-58075	40.00
Utility Notification Center Of	11334	04/03/2024	March 811 calls - 24150	02-02-00-58075	51.60
Colorado Water Well	11323	04/03/2024	Rental of data logger and field	02-04-25-52000	1,850.00
Frontier It	11328	04/03/2024	April monthly billing	02-01-00-58075	1,777.00
First Citiznes Bank & Trust Co	11327	04/03/2024	Lease on Kycocera copier	02-01-00-58075	194.41
SHB Inc.	11329	04/03/2024	Radioactive materials licensing	02-02-41-52030	7,880.00
Airgas Usa, Llc	11318	04/03/2024	Cylinder rental Acetylene & Ox	02-02-47-51000	73.78
Airgas Usa, Llc	11318	04/03/2024	Cylinder rental Acetylene & Ox	02-02-47-51009	41.16
Airgas Usa, Llc	11318	04/03/2024	Cylinder rental Acetylene & Ox	02-02-47-51020	66.34
Answer-Rite Telecommunicatic	11319	04/03/2024	April answering service	02-01-00-58075	99.00
Usic Locating Services Llc	11333	04/03/2024	March locate services	02-02-00-58075	632.60
Pilot Travel Centers LLC	DFT0000689	04/03/2024	March fuel expenses	02-02-00-53006	132.68
Badger Meter, Inc.	11320	04/03/2024	Mobile histing service unit	02-01-00-58075	1,521.78
Timber Line Electric & Control	11331	04/03/2024	West Baptist tank pressure tra	02-04-61-52000	6,279.85
T-Mobile	11332	04/03/2024	Employee cell phones	02-01-00-58080	690.09
Colorado Springs Utilities	11322	04/03/2024	Gas@ Maintenance thru 03/27	02-02-43-55030	238.40
Colorado Springs Utilities	11322	04/03/2024	Electric@ Northgate thru 03/2	02-03-73-55010	84.64
Colorado Springs Utilities	11322	04/03/2024	Gas@ R Hull thru 03/27/24	02-02-45-55030	44.21
Comcast	11324	04/03/2024	Internet@ R Hull thru 05/03/2	02-01-00-58080	126.03
Sun Valley Electric Inc	11330	04/03/2024	Well 16A - Bid Schedule 3 - Ele	02-04-25-60000	31,711.00
Core & Main Lp	11325	04/03/2024	DBL SS Strap Saddle	02-02-00-52000	204.94
Comcast Business	11345	04/11/2024	April fiber line	02-01-00-58080	700.04
Tyler Technologies Inc	11352	04/11/2024	Credit card fees	02-01-00-58001	4,277.50
Service Uniform Rental	11350	04/11/2024	Uniform maintenance 03/05/2	02-02-00-58075	148.09
Service Uniform Rental	11350	04/11/2024	Uniform maintenance 03/26/2	02-02-00-58075	148.09
Service Uniform Rental	11350	04/11/2024	Uniform maintenance 03/19/2	02-02-00-58075	148.09
Service Uniform Rental	11350	04/11/2024	Uniform maintenance 03/12/2	02-02-00-58075	148.09
Service Uniform Rental	11350	04/11/2024	Uniform maintenance 02/27/2	02-02-00-58075	148.09
CED	11355	04/11/2024	MILO panel - 16A	02-04-25-60000	29,202.00
Mercedes Lavoy		04/11/2024	MILO Panel - 16A	02-04-25-60000	29,202.00
Mercedes Lavoy		04/11/2024	MILO Panel - 16A	02-04-25-60000	(29,202.00)
Hayes Poznanovic Korver Llc	11346	04/11/2024	March legal	02-01-00-58065	468.50
PVS DX, INC	11349	04/11/2024	Chlorine, sodium hypo, potassi	02-02-45-51009	0.50
PVS DX, INC	11349	04/11/2024	Chlorine, sodium hypo, potassi	02-02-45-51015	975.21
PVS DX, INC	11349	04/11/2024	Chlorine, sodium hypo, potassi	02-02-45-51030	350.12
PVS DX, INC	11349	04/11/2024	Chlorine, sodium hypo, potassi	02-02-45-51030	529.56
PVS DX, INC	11349	04/11/2024	Chlorine, sodium hypo, potassi	02-02-45-51040	715.00
PVS DX, INC	11349	04/11/2024	Chlorine, sodium hypo, potassi	02-02-45-51080	152.61
PVS DX, INC	11349	04/11/2024	Chlorine, potassium permanga	02-02-47-51009	0.75
PVS DX, INC	11349	04/11/2024	Chlorine, potassium permanga	02-02-47-51015	2,150.42
PVS DX, INC	11349	04/11/2024	Chlorine, potassium permanga	02-02-47-51030	794.35
PVS DX, INC	11349	04/11/2024	Chlorine, potassium permanga	02-02-47-51040	715.00
PVS DX, INC	11349	04/11/2024	Chlorine, potassium permanga	02-02-47-51080	210.44
Western States Fire Protection	11353	04/11/2024	Annual inspection sprinkler an	02-02-47-52000	685.00
Wex Bank	11354	04/11/2024	March fuel expenses	02-02-00-53006	296.11
T-Mobile	11351	04/11/2024	Employee cell phones	02-01-00-58080	83.13
Colorado Springs Utilities	DFT0000697	04/11/2024	Water Regional System Availat	02-04-91-59900	15,294.47
Hoelting & Company, Inc.	11347	04/11/2024	Interim biling for auidt Deceml	02-01-00-58020	18,600.00
Lincoln Life	DFT0000690	04/15/2024	Employee 457 Contribution	02-00-00-24003	554.57
Lincoln Life	DFT0000690	04/15/2024	Employee 457 Contribution	02-02-00-24003	229.68
Lincoln Life	DFT0000691	04/15/2024	Employee 457 Contribution	02-00-00-24003	52.91
Lincoln Life	DFT0000691	04/15/2024	Employee 457 Contribution	02-02-00-24003	524.18

Board Expense Report

Payable Dates: 4/1/2024 - 4/30/2024

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Lincoln Life	DFT0000692	04/15/2024	457 Contributions	02-00-00-24003	704.49
Lincoln Life	DFT0000692	04/15/2024	457 Contributions	02-02-00-24003	1,478.68
Colorado Department of Reven	DFT0000696	04/15/2024	State Income Tax Withholding	02-00-00-24001	436.27
Colorado Department of Reven	DFT0000696	04/15/2024	State Income Tax Withholding	02-02-00-24001	862.00
Internal Revenue Service	DFT0000693	04/15/2024	Social Security	02-00-00-24000	1,459.86
Internal Revenue Service	DFT0000693	04/15/2024	Social Security	02-02-00-24000	2,757.86
Internal Revenue Service	DFT0000694	04/15/2024	Medicare	02-00-00-24000	341.46
Internal Revenue Service	DFT0000694	04/15/2024	Medicare	02-02-00-24000	645.00
Internal Revenue Service	DFT0000695	04/15/2024	Federal Income Tax Withholdir	02-00-00-24002	1,222.56
Internal Revenue Service	DFT0000695	04/15/2024	Federal Income Tax Withholdir	02-02-00-24002	2,168.19
Cebt	DFT0000699	04/22/2024	May health insurance premium	02-00-00-54410	15,732.51
Merrick	11368	04/22/2024	ASR civil and site analysis and f	02-02-00-52110	982.50
Merrick	11368	04/22/2024	District On-call	02-02-00-52110	9,680.73
Merrick	11368	04/22/2024	SCADA master plan and contro	02-02-00-52110	4,470.00
Fountain Mutual Irrigation Co	11365	04/22/2024	2024 Fountain Creek transit lo:	02-04-91-59901	100.89
Hpe, Inc.	11366	04/22/2024	April 2024 preventive mainten	02-02-00-58075	136.00
Colorado State Board of Land C	11360	04/22/2024	Lease #116544 Right of Way	02-01-00-58035	5,000.00
Colorado Water Well	11361	04/22/2024	Support and testing on Well 1f	02-04-25-60000	3,450.00
Cyberbasement	11364	04/22/2024	Domain renewal - donalawate	02-01-00-58075	23.00
LRE Water	11367	04/22/2024	2024 On-call services	02-02-00-52070	2,423.58
LRE Water	11367	04/22/2024	Water rights accounting	02-02-00-52070	1,743.00
LRE Water	11367	04/22/2024	Integrated water master plan :	02-02-00-52070	2,290.00
Axis	11357	04/22/2024	Base and usage charge kyocer:	02-01-00-58005	108.63
Axis	11357	04/22/2024	Base and usage charge kyocer:	02-01-00-58075	16.00
Aura Sub LLC	11356	04/22/2024	Identity protection	02-01-00-54430	140.00
Pilot Travel Centers LLC	DFT0000700	04/22/2024	April fuel expenses	02-02-00-53006	206.53
Pilot Travel Centers LLC	DFT0000698	04/22/2024	April fuel expenses	02-02-00-53006	94.45
Timber Line Electric & Control	11371	04/22/2024	Convert 3 reports to hourly tim	02-02-01-52000	1,836.00
WesTech	11375	04/22/2024	Gaskets, bearings, wash arm, :	02-02-45-52000	9,491.82
Verizon Wireless	11374	04/22/2024	Williow creek data plan	02-02-93-58080	199.36
Tri-Lakes Printing	11373	04/22/2024	March billing	02-01-00-58005	1,424.17
PVS DX, INC	11370	04/22/2024	Chlorine	02-02-47-51030	150.00
Comcast	11362	04/22/2024	Internet@ Holbein thru 05/14/	02-01-00-58080	437.24
Comcast	11362	04/22/2024	Internet@ Maintenance thru 0	02-01-00-58080	126.03
Black Hills Energy	11358	04/22/2024	Gas@ Homeland Ct. thru 04/10/	02-02-41-55030	100.07
Black Hills Energy	11358	04/22/2024	Gas@ Holbein Dr. thru 04/10/:	02-02-47-55030	144.88
Black Hills Energy	11358	04/22/2024	Gas@ Pauma Valley thru 04/10/	02-02-49-55030	26.17
Black Hills Energy	11358	04/22/2024	Gas@ Red Fox Ln. thru 04/10/:	02-04-19-55030	37.18
Black Hills Energy	11358	04/22/2024	Gas@ Jessie Dr. thru 04/10/24	02-04-83-55030	91.42
Black Hills Energy	11358	04/22/2024	Gas@ Latrobe Ct. thru 04/10/:	02-04-85-55030	26.17
Pikes Peak Newspapers	11369	04/22/2024	Tribune subscription - 932696	02-01-00-58005	30.00
T-Mobile	11372	04/22/2024	Employee cell phones & tablet	02-01-00-58080	4.29
T-Mobile	11372	04/22/2024	Employee cell phone & tablets	02-01-00-58080	176.14
CEGR Law	11359	04/22/2024	March legal	02-01-00-58060	2,145.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	400 R Hull thru 04/01/24	02-02-45-55010	1,084.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	1700 Holbein thru 04/01/24	02-02-47-55010	2,167.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	6507 Pauma Valley thru 04/01/	02-02-49-55010	267.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	1100 FR Lift thru 04/01/24	02-03-71-55010	422.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	1501 Northgate lift thru 04/01/	02-03-73-55010	458.84
Mountain View Electric Assn.	DFT0000701	04/22/2024	200 Well 1 thru 04/01/24	02-04-01-55010	348.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	500 Jessie thru 04/01/24	02-04-07-55010	449.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	1800 Well 8A thru 04/01/24	02-04-13-55010	1,124.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	100 Well 9A thru 03/31/24	02-04-15-55010	633.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	1400 Well 11 thru 04/01/24	02-04-17-55010	2,353.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	Mountain View Electric	02-04-19-55010	7,205.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	5300 Well 14 thru 04/01/24	02-04-23-55010	138.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	3101 Baptist thru 03/31/24	02-04-61-55010	170.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	1000 Baptist Booster thru 04/0	02-04-81-55010	1,443.00
Mountain View Electric Assn.	DFT0000701	04/22/2024	300 Latrobe thru 04/01/24	02-04-85-55010	407.00
Core & Main Lp	11363	04/22/2024	Dechlorination tablets	02-02-47-51060	339.02

Board Expense Report

Payable Dates: 4/1/2024 - 4/30/2024

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Abila	11376	04/30/2024	MIP- Cloud subscription	02-01-00-58075	161.58
Comcast Business	11378	04/30/2024	Office phone bill	02-01-00-58080	632.18
Pinnacol Assurance	11384	04/30/2024	Workers compensation	02-01-00-58056	9,499.00
Co Analytical Labs, Inc.	11377	04/30/2024	Lead & copper testing - HMO	02-02-00-60002	1,180.00
Co Analytical Labs, Inc.	11377	04/30/2024	Lead & copper testing - HMO	02-02-00-60002	175.00
Whisler Industrial	11388	04/30/2024	Thrust bearing & high temp thi	02-02-00-52000	50.00
First Citiznes Bank & Trust Co	11380	04/30/2024	Lease in kyocera copier	02-01-00-58075	194.41
Pilot Travel Centers LLC	DFT0000712	04/30/2024	April fuel expenses	02-02-00-53006	44.45
Sbs Services Group Llc	11385	04/30/2024	May janitorial services	02-01-00-58075	321.50
Timber Line Electric & Control	11387	04/30/2024	Dynotek & training	02-02-01-52000	2,793.25
Timber Line Electric & Control	11387	04/30/2024	West 1MG tank PT inoperative	02-02-01-52000	465.00
Timber Line Electric & Control	11387	04/30/2024	Cyber security/ firewall renew:	02-02-01-52000	4,165.00
Timber Line Electric & Control	11387	04/30/2024	Excel report issues	02-02-01-52000	250.00
Grainger	11381	04/30/2024	Solenoid valve and quick exhal	02-02-00-52000	1,764.13
Lincoln Life	DFT0000704	04/30/2024	Employee 457 Contribution	02-00-00-24003	554.56
Lincoln Life	DFT0000704	04/30/2024	Employee 457 Contribution	02-02-00-24003	229.68
Lincoln Life	DFT0000705	04/30/2024	Employee 457 Contribution	02-00-00-24003	58.83
Lincoln Life	DFT0000705	04/30/2024	Employee 457 Contribution	02-02-00-24003	551.31
Lincoln Life	DFT0000706	04/30/2024	457 Contributions	02-00-00-24003	763.07
Lincoln Life	DFT0000706	04/30/2024	457 Contributions	02-02-00-24003	1,535.91
Colorado Department of Reven	DFT0000710	04/30/2024	State Income Tax Withholding	02-00-00-24001	447.01
Colorado Department of Reven	DFT0000710	04/30/2024	State Income Tax Withholding	02-02-00-24001	894.00
Internal Revenue Service	DFT0000707	04/30/2024	Social Security	02-00-00-24000	1,451.00
Internal Revenue Service	DFT0000707	04/30/2024	Social Security	02-02-00-24000	2,849.22
Internal Revenue Service	DFT0000708	04/30/2024	Medicare	02-00-00-24000	339.36
Internal Revenue Service	DFT0000708	04/30/2024	Medicare	02-02-00-24000	666.34
Internal Revenue Service	DFT0000709	04/30/2024	Federal Income Tax Withholdir	02-00-00-24002	1,252.31
Internal Revenue Service	DFT0000709	04/30/2024	Federal Income Tax Withholdir	02-02-00-24002	2,194.10
Standard Insurance Co.-Life In	11386	04/30/2024	Disability - May premiums	02-01-00-54420	1,073.42
Jeffrey W Hodge	11382	04/30/2024	Mileage reimbursement	02-01-00-58070	503.84
Meyer & Sams, Inc.	11383	04/30/2024	Professional services - Well 16	02-04-25-60000	3,518.28
Mountain View Electric Assn.	DFT0000713	04/30/2024	400 R Hull thru 03/01/24	02-02-45-55010	4,142.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	1700 Holbein thru 03/01/24	02-02-47-55010	6,445.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	6507 Pauma Valley thru 03/01	02-02-49-55010	359.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	1100 FR Lift thru 03/01/24	02-03-71-55010	392.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	1501 Northgate lift thru 03/01	02-03-73-55010	471.16
Mountain View Electric Assn.	DFT0000713	04/30/2024	200 Well 2 thru 03/01/24	02-04-01-55010	3,453.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	500 Jessie thru 03/01/24	02-04-07-55010	720.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	1800 Well 8A thru 03/01/24	02-04-13-55010	1,124.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	100 Well 9A thru 03/01/24	02-04-15-55010	3,163.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	1400 Well 11 thru 03/01/24	02-04-17-55010	1,813.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	1200 Well 12 thru 03/01/24	02-04-19-55010	4,076.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	5300 Well 14 thru 03/01/24	02-04-23-55010	138.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	3101 Baptist thru 03/01/24	02-04-61-55010	219.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	1000 Baptist Booster thru 03/0	02-04-81-55010	1,443.00
Mountain View Electric Assn.	DFT0000713	04/30/2024	300 Latrobe thru 03/01/24	02-04-85-55010	1,136.00
Core & Main Lp	11379	04/30/2024	8 Wing nut test plug	02-02-00-52000	102.68
Fund 02 - Water Fund Total:					\$ 297,039.25

Board Expense Report

Payable Dates: 4/1/2024 - 4/30/2024

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Fund: 03 - Wastewater Fund					
Co Analytical Labs, Inc.	10631	04/03/2024	Water tests dated 03/13/24	03-50-00-51070	423.00
Frontier It	10633	04/03/2024	April monthly billing	03-50-00-58075	1,085.00
Usa Blue Book	10635	04/03/2024	USABB pH buffer pack	03-50-00-51060	167.34
Pilot Travel Centers LLC	DFT0000689	04/03/2024	March fuel expenses	03-50-00-53006	31.62
Denali Water Solutions Llc	10632	04/03/2024	Sludge hauls week ending 03/27/24	03-50-00-52020	1,136.22
Timber Line Electric & Control	10634	04/03/2024	Automate influent lift station pump	03-50-00-52000	924.70
Service Uniform Rental	10641	04/12/2024	Uniform manitenance 03/26/24	03-50-00-58075	112.46
Service Uniform Rental	10641	04/12/2024	Uniform manitenance 03/19/24	03-50-00-58075	112.46
Service Uniform Rental	10641	04/12/2024	Uniform manitenance 03/12/24	03-50-00-58075	112.46
Service Uniform Rental	10641	04/12/2024	Uniform manitenance 03/05/24	03-50-00-58075	112.46
Service Uniform Rental	10641	04/12/2024	Uniform manitenance 02/27/24	03-50-00-58075	112.46
Law Firm Of Connie H. King,Llc	10640	04/12/2024	Professional service March	03-50-00-52060	200.00
Waste Management	10642	04/12/2024	March screen hauling	03-50-00-52020	2,477.44
Denali Water Solutions Llc	10637	04/12/2024	Sludge hauls week ending 03/27/24	03-50-00-52020	1,162.67
Denali Water Solutions Llc	10637	04/12/2024	Sludge hauls week ending 04/03/24	03-50-00-52020	2,315.25
Holbrook Service, Llc.	10639	04/12/2024	Replaced ignition module	03-50-00-52000	1,242.41
Forest Lakes Metropolitan Dist	10638	04/12/2024	March potable water	03-50-00-55010	57.85
Clerk of the Combined Court	10636	04/12/2024	Manditory employee deductio	03-50-00-24007	150.00
Lincoln Life	DFT0000690	04/15/2024	Employee 457 Contribution	03-50-00-24003	184.81
Lincoln Life	DFT0000691	04/15/2024	Employee 457 Contribution	03-50-00-24003	549.16
Lincoln Life	DFT0000692	04/15/2024	457 Contributions	03-50-00-24003	1,045.21
Colorado Department of Reven	DFT0000696	04/15/2024	State Income Tax Withholding	03-50-00-24001	622.73
Internal Revenue Service	DFT0000693	04/15/2024	Social Security	03-50-00-24000	1,988.92
Internal Revenue Service	DFT0000694	04/15/2024	Medicare	03-50-00-24000	465.10
Internal Revenue Service	DFT0000695	04/15/2024	Federal Income Tax Withholdir	03-50-00-24002	1,766.22
Pilot Travel Centers LLC	DFT0000700	04/22/2024	April fuel expenses	03-50-00-53006	41.50
Pilot Travel Centers LLC	DFT0000698	04/22/2024	April fuel expenses	03-50-00-53006	12.47
Kubwater Resources, Inc.	10649	04/23/2024	4 drums polymer	03-50-00-51050	5,933.31
Windustrial	10651	04/23/2024	Repair 3" wye strainer in SBR b	03-50-00-52000	839.84
Windustrial	10651	04/23/2024	Repair to 3" pipe in SBR basem	03-50-00-52000	90.18
Chief Petroleum Company	10645	04/23/2024	Oil for plant	03-50-00-52000	1,845.27
Co Analytical Labs, Inc.	10646	04/23/2024	Water tests dated 04/10/24	03-50-00-51070	748.00
Aura Sub LLC	10643	04/23/2024	Identity protection	03-50-00-54430	30.00
Denali Water Solutions Llc	10647	04/23/2024	Sludge hauls week ending 04/10/24	03-50-00-52020	1,162.12
Cebt	DFT0000702	04/23/2024	May health insurance premiun	03-50-00-54410	6,531.19
T-Mobile	10650	04/23/2024	Employee cell phones & tablet	03-50-00-58080	441.10
Century Link	10644	04/23/2024	Internet@ waste plant	03-50-00-58080	236.16
Mountain View Electric Assn.	DFT0000703	04/23/2024	0900 WW metering thru 04/01/24	03-50-00-55010	72.00
Mountain View Electric Assn.	DFT0000703	04/23/2024	5102 Old building thru 03/31/24	03-50-00-55010	4,081.00
Mountain View Electric Assn.	DFT0000703	04/23/2024	6200 New building thru 03/31/24	03-50-00-55010	14,746.00
GDM Environmental	10648	04/23/2024	Influent lift station vactor & di	03-50-00-52000	3,600.00
Mountain View Electric Assn.	DFT0000711	04/29/2024	0900 WW Metering thru 03/01/24	03-50-00-55010	76.00
Mountain View Electric Assn.	DFT0000711	04/29/2024	5102 Old building thru 03/01/24	03-50-00-55010	4,571.00
Mountain View Electric Assn.	DFT0000711	04/29/2024	6200 New building thru 03/01/24	03-50-00-55010	17,877.00
Pueblo Bearing Service	10658	04/30/2024	Belt and WD40	03-50-00-52000	49.57
Windustrial	10662	04/30/2024	Fittings	03-50-00-52000	3.37
Co Analytical Labs, Inc.	10654	04/30/2024	Water tests dated 04/16/24	03-50-00-51070	445.00
Energy Laboratories, Inc	10656	04/30/2024	TENORM testing	03-50-00-51070	357.00
Pilot Travel Centers LLC	DFT0000712	04/30/2024	April fuel expenses	03-50-00-53006	48.42
Sbs Services Group Llc	10659	04/30/2024	May janitorial services	03-50-00-58075	223.50
Denali Water Solutions Llc	10655	04/30/2024	Sludge hauls week ending 04/10/24	03-50-00-52020	1,176.97
Timber Line Electric & Control	10661	04/30/2024	Add op to on call rotation	03-50-00-52000	250.00
Timber Line Electric & Control	10661	04/30/2024	Flume calibrations	03-50-00-52000	924.60
B.A. Lawrence, Llc	10652	04/30/2024	SBR #2 blower alignment	03-50-00-52000	760.00
Lincoln Life	DFT0000704	04/30/2024	Employee 457 Contribution	03-50-00-24003	184.82
Lincoln Life	DFT0000705	04/30/2024	Employee 457 Contribution	03-50-00-24003	585.92
Lincoln Life	DFT0000706	04/30/2024	457 Contributions	03-50-00-24003	1,080.96
Colorado Department of Reven	DFT0000710	04/30/2024	State Income Tax Withholding	03-50-00-24001	653.99
Internal Revenue Service	DFT0000707	04/30/2024	Social Security	03-50-00-24000	2,081.94

Board Expense Report

Payable Dates: 4/1/2024 - 4/30/2024

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Internal Revenue Service	DFT0000708	04/30/2024	Medicare	03-50-00-24000	486.88
Internal Revenue Service	DFT0000709	04/30/2024	Federal Income Tax Withholdir	03-50-00-24002	1,930.18
Standard Insurance Co.-Life In	10660	04/30/2024	Disability - May premiums	03-50-00-54420	458.68
Meyer & Sams, Inc.	10657	04/30/2024	Professional services UMCROW1	03-00-00-52110	724.20
Clerk of the Combined Court	10653	04/30/2024	Manditory employee deductio	03-50-00-24007	150.00
				Fund 03 - Wastewater Fund Total:	\$ 94,068.09

Donala Water & Sanitation District Executive Summary

Portfolio Snapshot

Book Value (\$000):	\$5,877	Average Coupon:	3.39%	Average Maturity (years):	1.18
Market Value (\$000):	\$5,789	Book Yield:	3.44%	Average Life (years):	1.19
Gain (Loss) on Portfolio:	(\$89)	Expected Total Return:	5.03%	Effective Duration:	0.99

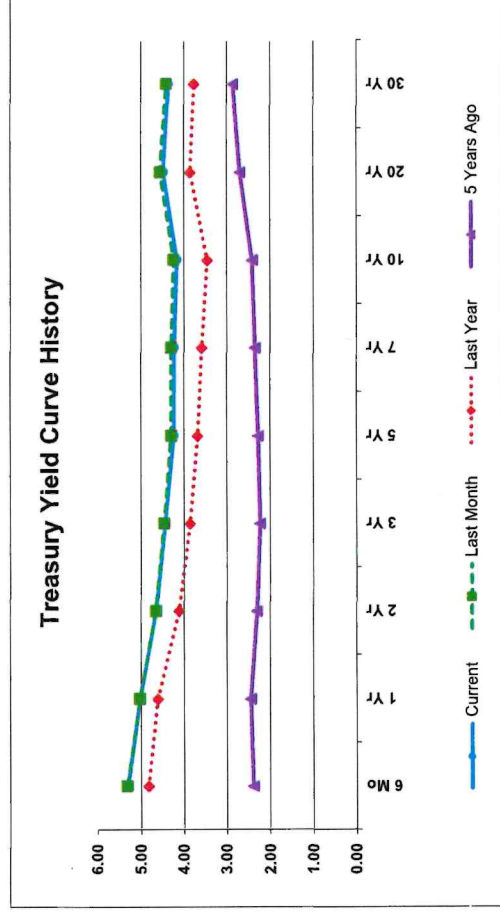
Market Snapshot

Market Brief

- Domestic growth remains positive even as we continue to feel the effects of an extended period of higher rates. To date, employment remains strong, which supports the U.S. consumer.
- Inflation rates have trended lower with tailwinds from goods disinflation and reduced rent pressures. Wage gains, while slowing, present an ongoing headwind to achieving the Federal Reserve's inflation target of 2%.
- The Federal Reserve recently upgraded its outlook for growth and lowered expected rates of inflation. We believe short term rates have peaked for this cycle, yet the total number of rate cuts to come is still a question.
- Bond yields have fallen from recent highs as expectations for monetary policy in 2024 now shift toward lower rates. There are still areas of opportunity within the bond market where yields provide attractive risk-adjusted returns.
- Although 2023 stock market performance was highly concentrated, a late rally in the year by mid and small-cap names narrowed the gap. Some broadening of the equity markets has continued in 2024, though small-cap stocks have trailed to start the year.

U.S. Treasury yields as of 03/28/2024

Maturity	Yield	Last Month	Last Year
6 month	5.30	5.31	4.81
1 Year	5.02	5.02	4.60
5 Year	4.23	4.29	3.67
10 Year	4.16	4.23	3.44
30 Year	4.35	4.40	3.75



**DONALA WATER AND SANITATION
DISTRICT**

FINANCIAL STATEMENTS
With Independent Auditors' Report

Year Ended December 31, 2023 and 2022

**DONALA WATER AND SANITATION DISTRICT
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DECEMBER 31, 2023 AND 2022**

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INDEPENDENT AUDITORS' REPORT

To Management and the Board of Directors
Donala Water and Sanitation District

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Donala Water and Sanitation District, which comprise the statements of net position as of December 31, 2023 and 2022, and the related statements of revenue, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Donala Water and Sanitation District, as of December 31, 2023 and 2022, and the changes in its net position and its cash flows for the years 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. 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 Donala Water and Sanitation 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

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 Donala Water and Sanitation 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 opinion. 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Donala Water and Sanitation 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 Donala Water and Sanitation 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 as listed in the table of contents 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hoelting & Company Inc.

Colorado Springs, Colorado
May 13, 2024

DONALA WATER AND SANITATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2023

As management of Donala Water and Sanitation District (the District) we offer readers of the District’s annual financial report this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2023. Readers are encouraged to consider the information presented here in conjunction with the annual financial report.

FINANCIAL HIGHLIGHTS

- The District’s total assets and deferred outflows exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$46,744,611 (*net position*). Of this amount, \$14,644,991 represents unrestricted net position, which may be used to meet the District’s ongoing obligations.
- The District’s total net position increased during the year by \$2,500,695.
- Capital assets net of depreciation increased by \$19,895 from the prior year.
- The District’s total outstanding long-term debt decreased by \$396,897 during the current year due to the payment of loans based on debt service schedules.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District’s basic financial statements. The District’s basic financial statements consist of the following components: (1) Statement of Net Position, (2) Statement of Revenue, Expenses and Changes in Net Position, (3) Statement of Cash Flows, and (4) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements.

Statement of Net Position - This statement reports all financial and capital resources (assets) and obligations (liabilities). The difference between assets and liabilities and deferred inflows is net position. The statement also provides the basis for evaluating the capital structure and assessing liquidity and financial flexibility.

Statement of Revenue, Expenses and Changes in Net Position - All revenue and expenses are accounted for in this statement. This statement measures the results from operations and can be used to determine whether the District’s rates, fees and other charges are adequate to recover expenses.

Statement of Cash Flows – This statement reports all cash receipts and payments summarized by net changes in cash from operating, non-capital financing, capital and related financing, and investing activities.

OVERALL FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. For the year ended December 31, 2023, the District's assets exceeded liabilities and deferred inflows by \$46,744,611 resulting in a positive net position. The following reflects key financial information in a condensed format:

Condensed Statements of Net Position

	<u>2023</u>	<u>2022</u>	<u>Variance</u>
Assets			
Capital assets, net	\$ 41,087,130	\$ 41,067,235	\$ 19,895
Other assets	19,315,733	16,730,898	2,584,835
Total assets	<u>60,402,863</u>	<u>57,798,133</u>	<u>2,604,730</u>
Deferred Outflows of Resources			
Deferred charge on refunding	65,591	70,636	(5,045)
Liabilities			
Long-term	10,190,622	10,587,519	(396,897)
Other liabilities	880,189	900,586	(20,397)
Total liabilities	<u>11,070,811</u>	<u>11,488,105</u>	<u>(417,294)</u>
Deferred Inflows of Resources			
Unavailable property tax revenue	2,653,032	2,175,748	477,284
Total deferred inflows of Resources	<u>2,653,032</u>	<u>2,175,748</u>	<u>477,284</u>
Net position			
Net investment in capital assets	30,538,747	30,211,931	326,816
Restricted	1,560,873	1,521,873	39,000
Unrestricted	14,644,991	12,471,112	2,173,879
Total net position	<u>\$ 46,744,611</u>	<u>\$ 44,204,916</u>	<u>\$ 2,539,695</u>

Unrestricted net position of the District at the end of the year was \$14,644,991 an increase of \$2,173,879 from the prior year. This decrease resulted primarily from well repairs and maintenance as well as rehabilitation of the Holbein plant.

Condensed Statements of Revenue, Expenses, and Changes in Net Position

	<u>2023</u>	<u>2022</u>	<u>Variance</u>
Revenues			
Operating revenues	\$ 6,672,526	\$ 5,833,728	\$ 838,798
Tax	2,405,812	2,436,590	(30,778)
Other	709,184	147,991	561,193
Total revenues	<u>9,787,522</u>	<u>8,418,309</u>	<u>1,369,213</u>
Expenses			
Water and sanitation operations	\$ 5,327,788	\$ 4,823,135	\$ 504,653
General and administrative	1,642,131	1,701,436	(59,305)
Other	312,458	299,044	13,414
Total expenses	<u>7,282,377</u>	<u>6,823,615</u>	<u>458,762</u>
Income before contributions	2,505,145	1,594,694	910,451
Capital contributions	<u>34,550</u>	<u>105,925</u>	<u>(71,375)</u>
Change in net position	2,539,695	1,700,619	839,076
Net position, beginning	<u>44,204,916</u>	<u>42,504,297</u>	<u>1,700,619</u>
Net position, ending	<u>\$46,744,611</u>	<u>\$44,204,916</u>	<u>\$ 2,539,695</u>

Condensed Statements of Cash Flows

	<u>2023</u>	<u>2022</u>	<u>Variance</u>
Net cash provided (used) by:			
Operating activities	\$ 1,086,095	\$ 769,383	\$ 316,712
Non-capital financing activities	2,406,318	2,436,861	(30,543)
Capital and related financing activities	(2,071,994)	(4,481,475)	2,409,481
Investing activities	490,953	(3,267,883)	3,758,836
Increase (decrease) in cash and cash equivalents	1,911,372	(4,543,114)	6,454,486
Cash and cash equivalents, beginning	<u>8,015,748</u>	<u>12,558,862</u>	<u>(4,543,114)</u>
Cash and cash equivalents, ending	<u>\$ 9,927,120</u>	<u>\$ 8,015,748</u>	<u>\$ 1,911,372</u>

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District’s investment in capital assets as of December 31, 2023 amounts to \$40,994,581. This investment in capital assets includes land, water rights, water and sanitation plants, equipment, and vehicles.

	<u>2023</u>	<u>2022</u>	<u>Variance</u>
Land and water rights	\$ 9,308,063	\$ 9,308,063	\$ -
Construction in progress	2,824,114	1,888,028	936,086
Water plant	30,451,912	30,088,169	363,743
Sanitation plant	16,485,538	16,522,777	(37,239)
Equipment, vehicles, and maintenance building	3,183,234	3,287,036	(103,802)
Less: Accumulated depreciaton	<u>(21,258,280)</u>	<u>(20,026,838)</u>	<u>(1,231,442)</u>
Total capital assets, net	<u>\$ 40,994,581</u>	<u>\$ 41,067,235</u>	<u>\$ (72,654)</u>

Major capital asset additions during the year 2023 include:

Drilling of new well 16A.

Long-Term Liabilities

Long-term liabilities on December 31, 2023 was \$11,090,820 and consisted of the following:

	<u>2023</u>	<u>2022</u>	<u>Variance</u>
CWRPDA Loan, 2006A	\$ 1,209,681	\$ 1,482,103	\$ (272,422)
2020 Bond	9,216,957	9,443,837	(226,880)
Compensated absences	174,876	164,880	9,996
SNITA Leases	<u>94,787</u>	<u>-</u>	<u>94,787</u>
Total	<u>\$ 10,696,301</u>	<u>\$ 11,090,820</u>	<u>\$ (394,519)</u>

ECONOMIC FACTORS AND OUTLOOK

Large Expenses in 2024 include rehabilitating three (3) of our water storage tanks, VFDs for wells and raw water, and clear wells. We will also upgrade two (2) of the district lift stations, Northgate and Fox Run. We will also continue to pursue the Loop and Aquifer Storage Recovery (ASR) projects for future water needs.

In 2010, the constituents of the Donala Water and Sanitation District elected to allow Donala to collect an additional five mills indefinitely to help defray the costs of additional water-related products. This option was exercised in 2014 and will continue to be exercised.

REQUESTS FOR INFORMATION

This financial report is designed to provide our customers, investors, creditors and other financial users with a general overview of the District's finances. If you have questions about this report or need additional financial information, contact our General Manager, Jeff Hodge, at 719-488-3603.

BASIC FINANCIAL STATEMENTS

DONALA WATER AND SANITATION DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31, 2023 AND 2022

ASSETS	<u>2023</u>	<u>2022</u>
Current assets:		
Cash and cash equivalents	\$ 9,927,120	\$ 8,015,748
Investments	6,012,423	5,823,807
Investment interest receivable	41,271	33,211
Cash with County Treasurer	17,502	18,009
Accounts receivable, users	474,334	414,372
Property taxes receivable	2,653,032	2,175,748
Inventory	190,051	250,003
Total current assets	<u>19,315,733</u>	<u>16,730,898</u>
Noncurrent assets:		
Capital assets, net of depreciation and amortization	41,087,130	41,067,235
Total noncurrent assets	<u>41,087,130</u>	<u>41,067,235</u>
Total assets	<u>60,402,863</u>	<u>57,798,133</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	<u>65,591</u>	<u>70,636</u>
 LIABILITIES		
Current liabilities:		
Accounts payable	300,689	315,560
Accrued interest expense	73,821	81,725
Compensated absences	19,157	27,623
Current portion, loans payable	276,522	265,678
Current portion, bonds payable	210,000	210,000
Total current liabilities	<u>880,189</u>	<u>900,586</u>
Noncurrent liabilities:		
Loans payable, less current portion	933,159	1,216,425
Bonds payable, less current portion	9,006,957	9,233,837
Lease payable, less current portion	94,787	-
Compensated absences	155,719	137,257
Total noncurrent liabilities	<u>10,190,622</u>	<u>10,587,519</u>
Total liabilities	<u>\$ 11,070,811</u>	<u>\$ 11,488,105</u>

The accompanying notes are an integral part of these financial statements.

**DONALA WATER AND SANITATION DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31, 2023 AND 2022**

DEFERRED INFLOWS OF RESOURCES	<u>2023</u>	<u>2022</u>
Unavailable property tax revenue	\$ 2,653,032	\$ 2,175,748
Total deferred inflows of resources	<u>2,653,032</u>	<u>2,175,748</u>
 NET POSITION		
Net investment in capital assets	30,538,747	30,211,931
Restricted	1,560,873	1,521,873
Unrestricted	<u>14,644,991</u>	<u>12,471,112</u>
Total net position	<u>\$ 46,744,611</u>	<u>\$ 44,204,916</u>

The accompanying notes are an integral part of these financial statements.

DONALA 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:		
Charges for services:		
Water sales	\$ 3,231,014	\$ 3,408,859
Sewer assessments	2,410,645	2,270,173
Inspection fees	1,850	6,000
Water and sewer penalties	15,919	14,502
Other	1,013,098	134,194
Total operating revenue	<u>6,672,526</u>	<u>5,833,728</u>
Operating expenses:		
Water and sanitation operations	5,327,788	4,823,135
General and administrative expenses	1,642,131	1,701,436
Total operating expenses	<u>6,969,919</u>	<u>6,524,571</u>
Operating income (loss)	<u>(297,393)</u>	<u>(690,843)</u>
Non-operating revenues (expenses):		
General property tax	2,177,986	2,206,893
Specific ownership tax	227,826	229,697
Interest income	687,630	120,144
Availability of service	2,975	9,275
Gain (loss) on disposal of capital assets	(38,514)	(126)
Amortization of loan premium	18,579	18,572
Bond expense	(39,755)	(39,755)
Interest expense	(234,189)	(259,163)
Total nonoperating revenues (expenses)	<u>2,802,538</u>	<u>2,285,537</u>
Income before capital contributions	2,505,145	1,594,694
Capital contributions	<u>34,550</u>	<u>105,925</u>
Change in net position	2,539,695	1,700,619
Net position, beginning	<u>44,204,916</u>	<u>42,504,297</u>
Net position, ending	<u>\$ 46,744,611</u>	<u>\$ 44,204,916</u>

The accompanying notes are an integral part of these financial statements.

**DONALA WATER AND SANITATION DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 6,610,714	\$ 5,788,933
Cash payments to suppliers for goods and services	(4,058,951)	(3,659,256)
Cash payments to employees	(1,470,493)	(1,375,569)
Cash received from inspection fees	1,850	6,000
Cash received from availability of service fees	2,975	9,275
Net cash provided (used) by operating activities	1,086,095	769,383
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from general and specific ownership tax revenues	2,406,318	2,436,861
Net cash provided (used) by non-capital financing activities	2,406,318	2,436,861
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Tap fees and water development fees	34,550	105,925
Payment of long-term debt	(519,714)	(465,256)
Interest paid on capital debt	(242,092)	(244,204)
Acquisition and construction of capital assets	(1,304,983)	(3,838,185)
Bond expense	(39,755)	(39,755)
Net cash provided (used) by capital and related financing activities	(2,071,994)	(4,481,475)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(1,128,841)	(4,952,293)
Maturities of investments	1,025,000	1,425,000
Interest received	594,794	259,410
Net cash provided (used) by investing activities	490,953	(3,267,883)
Net increase (decrease) in cash and cash equivalents	1,911,372	(4,543,114)
Cash and cash equivalents at beginning of year	8,015,748	12,558,862
Cash and cash equivalents at end of year	\$ 9,927,120	\$ 8,015,748

The accompanying notes are an integral part of these financial statements.

**DONALA WATER AND SANITATION DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (297,393)	\$ (690,843)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Availability of service fees	2,975	9,275
Depreciation and amortization	1,446,211	1,368,240
Changes in assets and liabilities:		
<i>(Increase) decrease in:</i>		
Accounts receivable	(59,962)	(38,794)
Inventory	59,952	-
<i>Increase (decrease) in:</i>		
Accounts payable	(75,684)	134,336
Compensated absences	9,996	(12,831)
Total Adjustments	1,383,488	1,460,226
Net cash provided (used) by operating activities	\$ 1,086,095	\$ 769,383
Non-cash investing, capital and financing activities:		
Increase (decrease) in fair market value of investments	\$ 84,776	\$ (164,413)

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Donala Water and Sanitation District (the District) was organized in 1972 as a local governmental unit (a “Special District”) under the laws of the State of Colorado in order to provide water and sewer services to residents within its boundaries.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies of the District are described below.

A. REPORTING ENTITY

The District is a special district governed by an elected five-member board. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The District has no component units for which either discrete or blended presentation is required.

B. BASIS OF PRESENTATION—FINANCIAL STATEMENTS

The basic financial statements (i.e., the statement of net position and the statement of revenues, expenses and changes in net position) report information on all of the non-fiduciary activities of the District.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District accounts for all of its activities in a single proprietary – enterprise fund for its activities which are similar to those found in the private sector, where the determination of changes in net position is necessary or useful to sound financial administration. The business type activities of the District rely significantly upon service charges.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The District’s financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, AND NET POSITION

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank accounts, certificates of deposits with original maturities of 90 days or less and amounts held in ColoTrust, including restricted cash and cash equivalents.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are valued at the pool's share price, the price at which the investment could be sold.

Accounts receivable, users

The accounts receivable are due from a large number of customers for the purchase of water and for sanitation assessments. An allowance for doubtful accounts is not required as the District can place a lien on property for unpaid water sales.

Inventory

Inventory consists of materials and supplies and is stated at the lower of cost or market using the first-in, first-out (FIFO) method.

Restricted Cash and Investments

The use of certain cash and investments of the District is restricted. These cash and investment items are classified as restricted assets on the statement of net position because they are maintained in separate accounts and their use is limited by debt and loan agreements.

Loan Premiums

Loan premiums are amortized, on a straight-line method, over the life of each loan.

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed. The capitalization threshold is \$5,000.

Collection mains and other improvements installed upon formation of the District at the expense of developers and subdividers are not recorded in the balance sheet and depreciation thereon has not been charged against revenues as records are not available to establish valuation for such property.

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

Depreciation of buildings, equipment and vehicles is computed using the straight-line method over the estimated useful lives of the depreciable property. The estimated useful lives are as follows:

Water Plant:

Water wells and system	7 - 40 years
Water mains	40 years
Water pump station	40 years
Water storage	5 - 40 years
Water plant	5 - 40 years

Sanitation Plant:

Sanitation mains	40 years
Treatment facilities	15 - 40 years

Equipment and Vehicles:

Office equipment	3 - 7 years
Other equipment	3 - 7 years
Vehicles	5 years
Maintenance Building	5 - 40 years

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

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Leases

Lessee: The District is a lessee for noncancellable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease assets in the financial statements. The District recognizes lease liabilities with an initial, individual value of \$50,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net position flow assumption

The District may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted—net position and unrestricted—net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted—net position to have been depleted before unrestricted—net position is applied.

E. REVENUES AND EXPENSES

Property taxes

Property taxes attach as an enforceable lien on real property and are levied as of January 1. The tax levy is payable in two installments due February 28 and June 15, or in one installment due April 30. The El Paso County Treasurer bills and collects the District's property tax. District property tax revenues are recognized when levied. The tax rate for the year ended December 31, 2023 and 2022 was 21.296 and 21.296 mills, respectively. The District's assessed valuation for 2023 and 2022 was \$101,963,830 and \$103,546,530, respectively.

Compensated Absences

Full-time employees of the District may carryover up to 416 hours of unused paid time off (PTO) to the following year. Any PTO in excess of 416 hours will be paid into the employees 457b plan. The District's policy is to recognize the costs of these compensated absences when incurred.

Operating and non-operating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the fund are water and sanitation assessments, late and reconnect charges, and inspection fees. Operating expenses include all expenses incurred to provide water and sanitation services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

F. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. COMPARATIVE DATA AND RECLASSIFICATIONS

Comparative total data for the prior year have been presented in the financial statements in order to provide an understanding of the changes in the financial position and operations. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET INFORMATION

Budgets are adopted on a comprehensive basis of accounting other than generally accepted accounting principles. The primary differences are that bond and note proceeds are treated as a budget source and capital expenditures and bond and note principal payments are treated as a budget use. Depreciation expense is not considered a budget expense. An annual appropriated budget is adopted for the proprietary fund. All annual appropriations lapse at fiscal year-end.

Expenditures may not legally exceed budgeted appropriations.

The budgeted revenues and expenses represent the original budget adopted or as amended by the Board.

The District follows these procedures in establishing the budgetary data reflected in the Financial Statements.

1. In the fall, the manager submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the District to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted by the Board.
4. The manager is authorized to transfer budgeted amounts between line items of the District; however, any revisions that alter the total expenditures of the District must be approved by the Board of Directors.
5. In December, the Board certifies the mill levy to El Paso County.
6. During the year, formal budgetary integration is employed as a management control device.

NOTE 3 - DEPOSITS AND INVESTMENTS

Cash deposits with financial institutions

Custodial credit risk—deposits. 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 regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

As of December 31, 2023 and 2022, the carrying amounts of the District's deposits were \$1,378,273 and \$434,846, respectively and the bank balances were \$999,962 and \$533,153, respectively. Of the total bank balances, \$250,000 was covered by FDIC insurance at each year ended December 31, 2023 and 2022. The remaining balances of \$749,962 and \$283,153 fall under the provisions of the Colorado Public Deposit Protection Acts which are collateralized in single institution pools.

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The District is authorized by Colorado State Statutes to invest in the following:

- ◆ Bonds and other interest-bearing obligations of the United States government.
- ◆ Bonds and other interest-bearing obligations which are guaranteed by the United States government.
- ◆ Bonds which are a direct obligation of the State of Colorado, or of any city, county or school district therein.
- ◆ Notes or bonds issued to the “National Housing Act”.
- ◆ Repurchase agreements.
- ◆ Local government investment pools.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District’s investment policy limits its investment portfolio to investment maturities not to exceed five years from the date of purchase.

Credit Risk. The District’s investment policy limits investments as described above. As of December 31, 2023, the District’s investments in U.S. Treasuries and Agencies were rated AAA by Standard & Poor’s. All other investments were rated AAA.

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>Less Than 90 Days</u>	<u>90 Days to 1 Year</u>	<u>1 to 2 Years</u>	<u>2 to 5 Years</u>
ColoTrust	\$ 8,548,847	\$ 8,548,847	\$ -	\$ -	\$ -
U.S. Treasuries & Agencies	<u>6,012,423</u>	<u>124,605</u>	<u>2,064,677</u>	<u>2,816,762</u>	<u>1,006,379</u>
Total	<u>\$ 14,561,270</u>	<u>\$ 8,673,452</u>	<u>\$ 2,064,677</u>	<u>\$ 2,816,762</u>	<u>\$ 1,006,379</u>

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>Less Than 90 Days</u>	<u>90 Days to 1 Year</u>	<u>1 to 2 Years</u>	<u>2 to 5 Years</u>
ColoTrust	\$ 7,580,531	\$ 7,580,532	\$ -	\$ -	\$ -
Money Market	371	371	-	-	-
U.S. Treasuries & Agencies	<u>5,823,807</u>	<u>224,102</u>	<u>781,278</u>	<u>4,818,426</u>	<u>-</u>
Total	<u>\$ 13,404,709</u>	<u>\$ 7,805,005</u>	<u>\$ 781,278</u>	<u>\$ 4,818,426</u>	<u>\$ -</u>

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

ColoTrust is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. This investment vehicle operates similarly to money market funds and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares.

The designated custodial bank provides safekeeping and depository services to ColoTrust in connection with the direct investment and withdrawal function of ColoTrust. Substantially all securities owned by ColoTrust are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by ColoTrust. Investments of ColoTrust consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. However, the District does not categorize investments with ColoTrust because they are not evidenced by securities that exist in physical or book entry form.

Reconciliation of Deposits and Investments to the Statements of Net Position

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents:		
Deposits	\$ 1,378,273	\$ 434,846
Money Market	-	371
ColoTrust	<u>8,548,847</u>	<u>7,580,531</u>
	<u>\$ 9,927,120</u>	<u>\$ 8,015,748</u>
Investments:		
U.S. Treasuries & Agencies	<u>\$ 6,012,423</u>	<u>\$ 5,823,807</u>

Restricted cash and investments

Property taxes levied for debt service and availability of service fees are deposited into separate accounts. As of December 31, 2023 and 2022, \$15,873 and \$15,873 of cash and investments were restricted for debt service payment and availability of service.

Tabor reserves were \$295,000 and \$256,000 for years ended December 31, 2023 and 2022, respectively.

As of December 31, 2023 and 2022, \$1,250,000 was restricted as an operating and maintenance reserve as required by debt covenants.

Restricted cash is included in cash and cash equivalents.

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 4 - FAIR VALUE MEASUREMENT

The District records assets and liabilities in accordance with GASB 72, which establishes general principles for measuring fair value, provides additional fair value application guidance and enhances disclosures about fair value measurements.

GASB 72 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement for a particular asset or liability based on assumptions that market participants would use in pricing the asset or liability. Such assumptions include observable and unobservable inputs of market data, as well as assumptions about risk and the risk inherent in the inputs to the valuation technique. As a basis for considering market participant assumptions in fair value measurements, GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels.

- Level 1 inputs reflect prices quoted in active markets.
- Level 2 inputs reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 inputs reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Investments classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Investments classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor.

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Investments - unrestricted				
U.S. Treasury Notes	\$ -	\$ 595,944	\$ -	\$ 595,944
Agency Notes	-	5,416,479	-	5,416,479
	-	5,416,479	-	5,416,479
Total Investments - unrestricted	\$ -	\$ 6,012,423	\$ -	\$ 6,012,423

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Investments - unrestricted				
U.S. Treasury Notes	\$ -	\$ 244,764	\$ -	\$ 244,764
Agency Notes	-	5,579,043	-	5,579,043
	-	5,579,043	-	5,579,043
Total Investments - unrestricted	\$ -	\$ 5,823,807	\$ -	\$ 5,823,807

DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 – CAPITAL ASSETS

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

	Beginning <u>Balance</u>	<u>Increase</u>	<u>Decrease</u>	Ending <u>Balance</u>
Capital assets, not being depreciated:				
Land and water rights	\$ 9,308,063	\$ -	\$ -	\$ 9,308,063
Construction in progress	<u>1,888,028</u>	<u>936,086</u>	<u>-</u>	<u>2,824,114</u>
Total capital assets, not being depreciated	<u>11,196,091</u>	<u>936,086</u>	<u>-</u>	<u>12,132,177</u>
Capital assets, being depreciated:				
Water Plant:				
Water wells and system	18,665,773	429,711	(65,660)	19,029,824
Water mains	2,577,856	-	-	2,577,856
Water pump station	664,526	-	(308)	664,218
Water storage	1,663,230	-	-	1,663,230
Residual Mgmt Facility	2,408,157	-	-	2,408,157
Water plant	<u>4,108,627</u>	<u>-</u>	<u>-</u>	<u>4,108,627</u>
Total Water Plant	<u>30,088,169</u>	<u>429,711</u>	<u>(65,968)</u>	<u>30,451,912</u>
Sanitation Plant:				
Sanitation mains	4,307,619	-	(12,988)	4,294,631
Treatment facilities	<u>12,215,158</u>	<u>-</u>	<u>(24,251)</u>	<u>12,190,907</u>
Total Sanitation Plant	<u>16,522,777</u>	<u>-</u>	<u>(37,239)</u>	<u>16,485,538</u>
Equipment, Vehicles and Maintenance				
Office equipment	45,198	-	-	45,198
Other equipment	2,417,498	-	(83,087)	2,334,411
Vehicles	465,354	-	(20,715)	444,639
Maintenance building	<u>358,986</u>	<u>-</u>	<u>-</u>	<u>358,986</u>
Total Equipment and Vehicles	<u>3,287,036</u>	<u>-</u>	<u>(103,802)</u>	<u>3,183,234</u>
Total capital assets, being depreciated	49,897,982	429,711	(207,009)	50,120,684
Less accumulated depreciation	<u>(20,026,838)</u>	<u>(1,399,937)</u>	<u>168,495</u>	<u>(21,258,280)</u>
Total capital assets, being depreciated, net	<u>29,871,144</u>	<u>(970,226)</u>	<u>(38,514)</u>	<u>28,862,404</u>

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 – CAPITAL ASSETS (CONTINUED)

SBITAs assets being amortized				
Software	\$	-	\$ 138,823	\$ 138,823
Less accumulated amortization for:				
Software		-	(46,274)	(46,274)
Total SBITAS assets being amortized, net		-	92,549	92,549
Capital assets, net of accumulated Depreciation/amortization		29,871,144	(877,677)	28,954,953
Total capital assets, net	\$	41,067,235	\$ 58,409	\$ 41,087,130

NOTE 6 - DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with IRC §457. The plan, available to all government employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The District contributes 2% of the employees' salary upon enrollment with a matching 7% if the participant defers at least 3% of their salary. The District's contributions during 2023 and 2022 were \$100,107 and \$55,700.

NOTE 7 - LONG-TERM LIABILITIES

Compensated Absences Payable

Compensated absences consisted of the following:	2023	2022
Paid time off	\$ 174,876	\$ 164,880

Colorado Water Resources and Power Development Authority Loans

On May 1, 2006, the District entered into a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA) in the amount of \$4,906,910. Loan proceeds were used to finance an upgrade and expansion of the existing wastewater treatment facility. This loan is payable semiannually in varying amounts from \$117,456 to \$175,142 including interest at 3.64%. This loan is to be repaid from and secured by a pledge of the net water and sanitation revenues of the District.

The annual requirements to amortize loans are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 276,522	\$ 3,180
2025	281,944	-
2026	303,632	-
2027	<u>330,742</u>	-
Total	<u>\$ 1,192,840</u>	<u>\$ 3,180</u>

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 7 - LONG-TERM LIABILITIES (CONTINUED)

Revenue Refunding Bonds

\$9,475,000 of Revenue Refunding Bonds Series 2020 were issued on October 27, 2020 for the purpose of refunding the District's 2007 and 2011 CWRPDA loans and the loan with Gray Family Management Trust. Principal payments are due annually through September 1, 2040. Interest payments are due semi-annually on March 1 and September 1 and accrue at an annual interest rate between 0.65% and 3.00%.

The annual requirements to amortize bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 210,000	\$ 221,463
2025	215,000	219,259
2026	220,000	216,786
2027	215,000	213,596
2028	540,000	210,156
2029 – 2033	2,860,000	884,490
2034 – 2038	3,235,000	508,276
2039 – 2040	<u>1,435,000</u>	<u>64,950</u>
Total	<u>\$ 8,930,000</u>	<u>\$ 2,538,976</u>

Changes in Long-term Liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Loans payable:					
CWRPDA Loan, 2006A					
Principal	\$ 1,458,518	\$ -	\$ (265,678)	\$ 1,192,840	\$ 276,522
Issuance premium	<u>23,585</u>	<u>-</u>	<u>(6,744)</u>	<u>16,841</u>	<u>-</u>
Total loans payable	<u>1,482,103</u>	<u>-</u>	<u>(272,422)</u>	<u>1,209,681</u>	<u>276,522</u>
Bonds payable:					
2020 Bond					
Principal	9,140,000	-	(210,000)	8,930,000	210,000
Issuance premium	<u>303,837</u>	<u>-</u>	<u>(16,880)</u>	<u>286,957</u>	<u>-</u>
Total bonds payable	<u>9,443,837</u>	<u>-</u>	<u>(226,880)</u>	<u>9,216,957</u>	<u>210,000</u>
Compensated absences	164,880	9,996	-	174,876	19,157
SBITA Leases	<u>-</u>	<u>138,823</u>	<u>(44,036)</u>	<u>94,787</u>	<u>46,238</u>
Total long-term liabilities	<u>\$ 11,090,820</u>	<u>\$ 148,819</u>	<u>\$ (543,338)</u>	<u>\$ 10,696,301</u>	<u>\$ 551,917</u>

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 8 - NET POSITION

Net position is reported in three separate categories—net investment in capital assets; net position-restricted; and net position-unrestricted.

Net investment in capital assets consists of capital assets net of accumulated depreciation and capital-related deferred outflows of resources; reduced by borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2023 and 2022, net investment in capital assets was as follows:

	2023	2022
Net investment in capital assets:		
Capital assets, net of depreciation	\$ 40,994,581	\$ 41,067,235
Long-term liabilities:		
Due within one year	(486,522)	(475,678)
Due in more than one year	(10,034,903)	(10,450,262)
Deferred on refunding	65,591	70,636
Total net investment in capital assets	\$ 30,538,747	\$ 30,211,931

Net position-restricted is the difference between non-capital assets whose use is 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, and related liabilities and deferred inflows of resources (excluding capital-related borrowings). As of December 31, 2023 and 2022, net position-restricted was as follows:

	2023	2022
Net position-restricted:		
Debt service reserve	\$ 15,873	\$ 15,873
Operating and Maintenance reserve	1,250,000	1,250,000
Tabor – emergency reserve	295,000	256,000
Total net position-restricted	\$ 1,560,873	\$ 1,521,873

Any portion of net position not already classified as either net investment in capital assets or net position-restricted, is automatically classified as net position-unrestricted.

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 9 – INTERGOVERNMENTAL AGREEMENTS

Intergovernmental agreement with Forest Lakes Metropolitan District and Triview Metropolitan District

The District entered into an agreement dated November 11, 1999, subsequently amended on October 25, 2001, with Forest Lakes Metropolitan District and Triview Metropolitan District to define ownership rights in the wastewater treatment plant. Under the amended agreement Triview and Forest Lakes transferred part ownership to the District.

In 2009 the Districts completed an expansion of the plant to 1.75 MGD. Under the terms of the above agreements, the three Districts reallocated ownership. The current ownership is 44.0% owned by Triview, 17.1% by Forest Lakes, and 38.9% by Donala. The plant is currently being operated by Donala and all parties are responsible for their respective share of operations and maintenance costs, based on the relative share of actual flows.

In addition, in accordance with the November 11, 1999 agreement, an ownership interest in a 24" interceptor was transferred to the Forest Lakes. As a result of the transfer, the interceptor is owned 50% by Triview, 25% by Forest Lakes, and 25% by the District.

NOTE 10 - 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 worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage during any of the last three fiscal years.

NOTE 11 - AMENDMENT TO COLORADO CONSTITUTION

Colorado voters passed an amendment to the *State Constitution*, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments.

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

On May 2, 2006, the voters of the District approved that taxes may be increased \$810,000 annually in 2007 and by whatever additional amounts are raised annually thereafter by continuing to collect but not increasing the tax rate of 12.810 mills levied by the District for payment of debt service, which was authorized by District voters in 1993 for general obligation bonds which were defeased in 2006. The voters also approved that the proceeds of these taxes and the District's operational mill levy, any investment income therefrom, and all other District revenue be collected and spent without limitation or condition, as a voter-approved revenue change under Article X, Section 20 of the Colorado Constitution and as a voter approved mill levy under Colorado Revised Statutes section 29-1-302(2) (B).

**DONALA WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 11 - AMENDMENT TO COLORADO CONSTITUTION (CONTINUED)

On May 4, 2010, the voters of the District approved that taxes may be increased \$412,000 annually in collection year 2011 and by whatever additional amounts are raised annually thereafter by the imposition of an additional mill levy of not more than 5 mills; and that the proceeds of such taxes may be collected and spent without limitation or condition pursuant to Colorado Revised Statutes section 29-1-302(2) (B).

The Amendment is complex and subject to judicial interpretation. The entity believes it is in compliance with the requirements of the amendment. However, the entity has made certain interpretations of the amendment's language in order to determine its compliance.

SUPPLEMENTARY INFORMATION

**DONALA WATER AND SANITATION DISTRICT
SCHEDULE OF EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Water and sanitation operations:		
Repair and maintenance	\$ 633,704	\$ 412,917
Utilities	635,596	690,483
Solid waste removal	110,843	124,118
Chemicals and lab	257,681	181,939
Truck and backhoe	21,272	19,273
District engineer	-	37,248
Professional engineer	607,120	159,337
Other professional services	-	-
Salaries	1,016,754	930,596
Payroll taxes	74,919	75,684
Pension expense	100,107	55,700
Depreciation and amortization	1,399,937	1,368,240
Tools and equipment	25,772	8,831
Legal	23,103	13,700
Water purchases	389,743	704,330
AFCURE	31,237	40,739
	<u>5,327,788</u>	<u>4,823,135</u>
Total Water and Sanitation Operating Expenses		
General and administrative expenses:		
Accounting and audit expense	25,700	23,900
County treasurer fees	32,670	33,197
Depreciation and amortization	46,274	-
Director fees	5,700	6,230
Fees and permits	81,303	67,078
Insurance	399,071	455,339
Legal	79,120	72,584
Other	253,020	79,176
Office expense	71,918	100,683
Salaries	262,895	282,302
Benefits	2,578	3,096
Payroll taxes	20,114	12,228
Publication expense	4,030	3,971
Telephone	38,575	39,235
Training	47,881	36,418
Contract service	104,409	437,123
Repairs and maintenance	166,873	48,876
	<u>1,642,131</u>	<u>1,701,436</u>
Total General and Administrative Expenses	<u>\$ 1,642,131</u>	<u>\$ 1,701,436</u>

See the accompanying independent auditors' report.

DONALA WATER AND SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Beginning fund balance	\$ 13,992,985	\$ 10,315,565	\$ 3,677,420
Water sales	3,231,014	3,915,347	(684,333)
Sewer assessments	2,410,645	1,439,716	970,929
Inspection fees	1,850	7,500	(5,650)
Water and sewer penalties	15,919	-	15,919
Other	1,013,098	1,003,145	9,953
General property tax	2,177,986	2,175,748	2,238
Specific ownership tax	227,826	200,000	27,826
Interest income	687,630	243,300	444,330
Availability of service	2,975	5,250	(2,275)
Bond proceeds	-	10,000,000	(10,000,000)
Radium reimbursement	-	1,650,000	(1,650,000)
Loop reimbursement	-	1,000,000	(1,000,000)
Capital contributions	34,550	145,000	(110,450)
TOTAL REVENUES	23,796,478	32,100,571	(8,304,093)
EXPENDITURES			
Water and sanitation operations:			
Repair and maintenance	633,704	1,003,000	344,000
Residuals management	-	96,200	180,000
Utilities	635,596	455,371	(180,225)
Solid waste removal	110,843	-	(110,843)
Chemicals and lab	257,681	78,905	(178,776)
Truck and backhoe	21,272	58,000	36,728
Professional engineer	607,120	335,000	(272,120)
Salaries	1,016,754	696,414	(320,340)
Payroll taxes	74,919	52,231	(22,688)
Pension expense	100,107	48,749	(51,358)
Tools and equipment	25,772	15,000	(10,772)
Inspection fees	-	2,000	2,000
Legal Fees	23,103	-	(23,103)
Waste plant expenses	-	1,821,193	1,821,193
Water purchases	389,743	1,792,812	1,403,069
AFCURE	31,237	-	(31,237)
Total water and sanitation operations	\$ 3,927,851	\$ 6,454,875	\$ 2,585,528

See the accompanying independent auditors' report.

DONALA WATER AND SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Actual	Budget	Variance Favorable (Unfavorable)
EXPENDITURES (continued)			
General and administrative expenses:			
Accounting and audit expense	\$ 25,700	\$ 24,617	\$ (1,083)
County treasurer fees	32,670	33,200	530
Director fees	5,700	2,000	(3,700)
Fees and permits	81,303	15,000	(66,303)
Insurance	399,071	301,914	(97,157)
Legal	79,120	89,300	10,180
Other	253,020	10,000	(243,020)
Office expense	71,918	88,800	16,882
Salaries	262,895	-	(262,895)
Benefits	2,578	-	(2,578)
Payroll taxes	20,114	-	(20,114)
Publication expense	4,030	5,000	970
Telephone	38,575	31,832	(6,743)
Training	47,881	30,000	(17,881)
Contract service	104,409	259,680	155,271
Repairs and maintenance	166,873	-	(166,873)
	<u>1,595,857</u>	<u>891,343</u>	<u>(704,514)</u>
Total general and administrative expenses			
Capital expenditures	1,365,797	16,522,000	15,156,203
Principal payment on long-term debt	519,714	265,678	(254,036)
Bond expense	39,755	210,000	170,245
Interest expense	234,189	274,407	40,218
Contingency	-	1,624,050	1,624,050
	<u>-</u>	<u>1,624,050</u>	<u>1,624,050</u>
TOTAL EXPENDITURES	<u>\$ 7,683,163</u>	<u>\$ 26,242,353</u>	<u>\$ 18,617,694</u>

See the accompanying independent auditors' report.

**DONALA WATER AND SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Actual	Budget	Variance Favorable (Unfavorable)
EXCESS OF REVENUE OVER EXPENDITURES	\$ 16,113,315	\$ 5,858,218	\$ 10,255,097
Less:			
Depreciation and amortization	(1,446,211)		
Beginning fund balance	(13,992,985)		
Loss on sale of assets	(38,514)		
Add:			
Amortization of loan premium	18,579		
Capital expenditures	1,365,797		
Principal payment on bonds	519,714		
CHANGE IN NET POSITION	\$ 2,539,695		
Ending fund balance is calculated as follows:			
Current assets	\$ 19,315,733		
Current liabilities	(880,189)		
Current portion, long-term debt	486,522		
Compensated absences	(155,719)		
Deferred inflows	(2,653,032)		
	\$ 16,113,315		

See the accompanying independent auditors' report.

**DONALA WATER AND SANITATION DISTRICT
DEBT SERVICE COVERAGE AND RESERVE REQUIREMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Revenues	
Water sales	\$ 3,231,014
Sewer assessments	2,410,645
Inspection fees	1,850
Water and sewer penalties	15,919
Other	1,013,098
Tax revenue	2,405,812
Interest income	687,630
Availability of service	2,975
Capital contributions	<u>34,550</u>
 TOTAL REVENUES	 <u>9,803,493</u>
 Operating Expenses	 6,969,919
Less: depreciation and amortization	<u>(1,446,211)</u>
 NET OPERATING EXPENSES	 <u>5,523,708</u>
 NET REVENUES (PLEDGED PROPERTY)	 <u><u>\$ 4,279,785</u></u>
 2024 Debt service on obligations secured by Pledged Property:	
Loans (principal and interest)	\$ 279,702
Loans (administration fees)	39,255
Bonds (principal and interest)	<u>431,464</u>
 Total Debt Service	 750,421
 Net Revenues	 <u>\$ 4,279,785</u>
 DEBT SERVICE COVERAGE FACTOR	 <u><u>570.32%</u></u>
 OPERATION & MAINTENANCE RESERVE:	
Operating expenses (net of depreciation)	\$ 5,523,708
3 month reserve	<u>25%</u>
Calculated three month reserves	\$ 1,380,927
Required reserves - lesser of three months or \$1,250,000	\$ 1,250,000
 Actual Reserve (See Note 8)	 \$ 1,250,000

See the accompanying independent auditors' report.

May 2024 Operations Report – Prepared by Aaron Tolman

Operations & Maintenance

W.E.T. (Whole Effluent Toxicity) Testing rescheduled for May 28th, 29th, 30th for semi-annual testing.

The digester south return pump has been repaired. New electrical disconnect, new power supply. New seal to be determined for install.

Operator-In-Training (O.I.T.) Jake Hawker will be attending water/wastewater school in July. Angel Muniz has already attended in January. Both trainees have completed two weeks of on-call duties each.

Jarred Durham & Aaron Tolman are attending a two-day microbiology class June 4th and 5th.

Process Control

e.Coli actual **17.0 MPN**

- *CFU (Coliform Forming Units) and MPN (Most Probable Number) values are used interchangeably. The IDEXX method accounts for Total and Fecal Coliforms.*

February total effluent (001A) flow: **25.491 MG**

Lbs. of solids transported (hailed) from UMCRRWWTF facility = **140.8 tons (281,600lbs) @ (x % average solids) 12% solids average.**

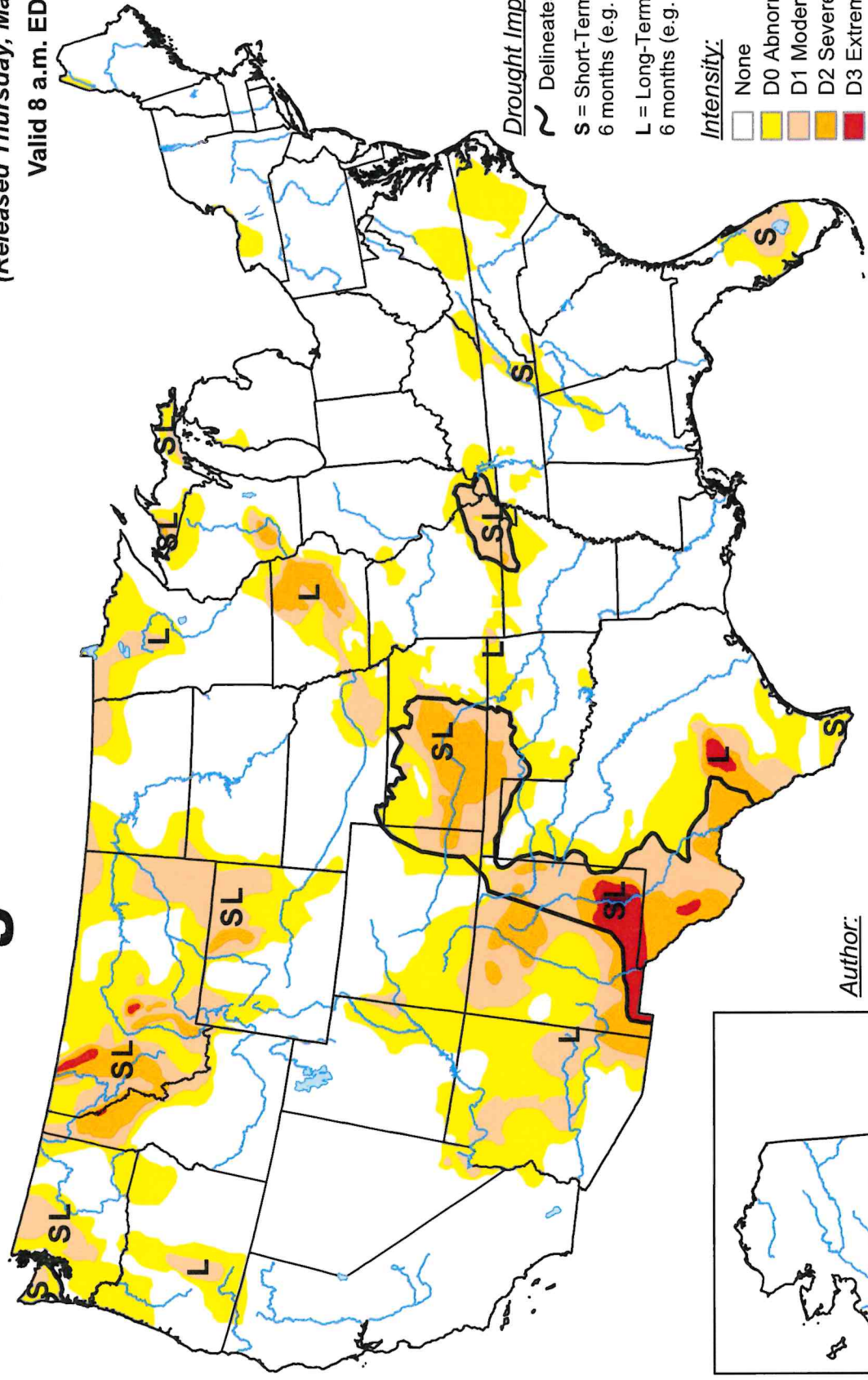
001A (Effluent)		
BOD % Removal		98.7%
TSS % Removal		99.0%
300 I (Influent)		
BOD (mg/l)		233
BOD (lbs/d)		1610
BOD (ave lbs/d)		1652 lbs removed.
PERMIT (30 day avg)		49,560lbs
		MO %
Flow (MGD)	1.75	48.5%
Loading (lbs BOD/d)	3553	45.3%

U.S. Drought Monitor

May 7, 2024

(Released Thursday, May 9, 2024)

Valid 8 a.m. EDT



Author:
Curtis Riganti
National Drought Mitigation Center

Drought Impact Types:

- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



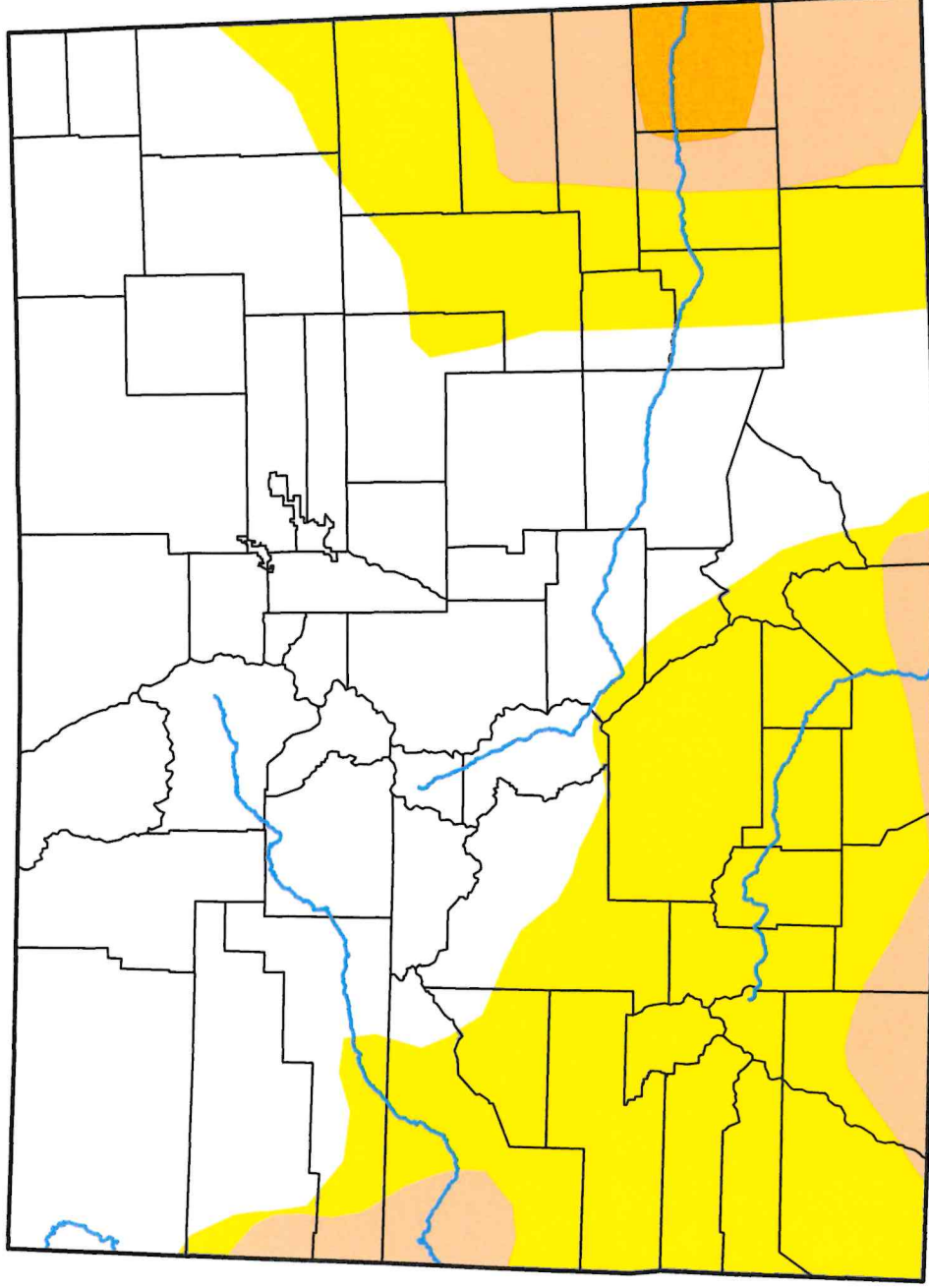
droughtmonitor.unl.edu

U.S. Drought Monitor Colorado

May 7, 2024

(Released Thursday, May 9, 2024)

Valid 8 a.m. EDT



Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

Curtis Riganiti
National Drought Mitigation Center



