

**Applewood Sanitation District**  
**Adopted Budget**  
**For Year Ending December 31, 2024**

MORAIN | BAKARICH  
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Applewood Sanitation District  
Golden, Colorado

Management is responsible for the accompanying budgets of estimated revenues, expenditures, and fund balances for the general fund, sanitation enterprise fund, and capital improvements fund of Applewood Sanitation District for the year ending December 31, 2024, including estimated comparative information for the year ending December 31, 2023, and the actual comparative information for the year ending December 31, 2022, and the related budget message and summary of significant assumptions in the format prescribed by C.R.S. §§ 29-1-103 and 29-1-105.

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

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

The accompanying budgets and this report were prepared for the purpose of estimating revenues, expenditures and fund balances as required by governmental entities within the State of Colorado in accordance with C.R.S. §§ 29-1-103 and 29-1-105, and should not be used for any other purpose. The accompanying budgets are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Applewood Sanitation District.

*Morain Bakarich, CPAs*

Morain Bakarich, CPAs  
Golden, Colorado  
January 8, 2024

**APPLEWOOD SANITATION DISTRICT**  
**Assessed Valuation, Property Tax and Mill Levy Summary**

	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>ADOPTED BUDGET</b>	<b>ADOPTED BUDGET</b>	<b>ADOPTED BUDGET</b>
<b>ASSESSED VALUATION</b>	<b>\$ 69,329,000</b>	<b>\$ 81,698,970</b>	<b>\$ 93,624,383</b>
General Fund	2.620	2.555	2.077
Abatements	-	-	-
Total Mill Levy	2.620	2.555	2.077
General Fund	\$ 181,706	\$ 208,741	\$ 194,458
Abatements	-	-	-
Total Budgeted Property Taxes	<b>\$ 181,706</b>	<b>\$ 208,741</b>	<b>\$ 194,458</b>

**APPLEWOOD SANITATION DISTRICT  
2024 BUDGET - COMBINED FUNDS  
MODIFIED ACCRUAL BASIS**

	<b>2024 Budget</b>			
	General Fund	Sanitation Enterprise Fund	Capital Improvements Fund	Combined 2024 Budget Totals
<b>REVENUES</b>				
<i>Taxes:</i>				
General Property Taxes	\$ 194,458	\$ -	\$ -	\$ 194,458
Specific Ownership Taxes	15,000	-	-	15,000
Other Income - Transfer Fees	-	-	-	-
<i>Charges for Services:</i>				
Drainlayers Fees	-	1,500	-	1,500
Sewer Service Charges - Residential	-	509,000	-	509,000
Sewer Service Charges - Nonresidential	-	52,900	-	52,900
Sewer Service Charges - Multifamily	-	281,500	-	281,500
Sewer Connection Fees	-	55,200	-	55,200
Sewer Inspection Fees	-	7,500	-	7,500
Inclusion Fees	-	-	-	-
Lien & Collection Fees	-	3,500	-	3,500
Interest Income	-	150	275,000	275,150
Contribution to Line Extension	-	-	100,000	100,000
<b>Total Revenues</b>	<b>209,458</b>	<b>914,250</b>	<b>375,000</b>	<b>1,498,708</b>
<b>Other Sources</b>				
Transfers-In from General Fund	-	-	-	-
Transfers-In from Sanitation Fund	-	-	650,000	650,000
<b>Total Other Sources</b>	<b>-</b>	<b>-</b>	<b>650,000</b>	<b>650,000</b>
<b>Total Revenues and Other Uses</b>	<b>209,458</b>	<b>914,250</b>	<b>1,025,000</b>	<b>2,148,708</b>
<b>EXPENDITURES</b>				
<i>Administrative Costs:</i>				
Accounting	65,000	-	-	65,000
Advertising & Legal Publications	500	-	-	500
Audit	7,500	-	-	7,500
Office Rent & Phone, Supplies, Website	5,000	-	-	5,000
Directors Fees	6,500	-	-	6,500
Directors Bond & Insurance Premiums	7,500	-	-	7,500
Election Expense	5,000	-	-	5,000
Engineering Fees	104,000	-	-	104,000
Legal Fees	60,000	-	15,000	75,000
Secretarial Service - Board Meetings	-	-	-	-
Membership Dues	1,500	-	-	1,500
Miscellaneous	500	500	-	1,000
County Treasurer Collection Fee (3%)	3,100	-	-	3,100
<i>Operating and Maintenance Costs:</i>				
Depreciation	-	50,000	-	50,000
Engineering	-	15,300	-	15,300
Line Maintenance and Video	-	120,000	-	120,000
<i>Sewer Treatment Charges:</i>				
Metro Wastewater	-	250,000	-	250,000
NWLSD (Net)	-	14,400	-	14,400
<i>Capital Improvements:</i>				
Line Extension	-	-	100,000	100,000
Line Renovation and Repair	-	-	975,000	975,000
Contingency	25,000	25,000	25,000	75,000
<b>Total Expenditures</b>	<b>291,100</b>	<b>475,200</b>	<b>1,115,000</b>	<b>1,881,300</b>
<b>Net Revenues Over Expenditures</b>	<b>(81,642)</b>	<b>439,050</b>	<b>(90,000)</b>	<b>267,408</b>

**APPLEWOOD SANITATION DISTRICT  
2024 BUDGET - COMBINED FUNDS  
MODIFIED ACCRUAL BASIS**

	<b>2024 Budget</b>			
	General Fund	Sanitation Enterprise Fund	Capital Improvements Fund	Combined 2024 Budget Totals
<b>Other Uses</b>				
Transfer to Emergency Reserves	(300)	-	-	(300)
Transfers-out to Capital Improvements Fund	-	(650,000)	-	(650,000)
<b>Total Other Uses</b>	(300)	(650,000)	-	(650,300)
<b>Net Source (Use) of Funds</b>	(81,942)	(210,950)	(90,000)	(382,892)
<b>Fund Balances, Beginning of Year</b>	429,294	3,195,585	1,049,600	4,674,479
<b>Fund Balances, End of Year</b>	\$ 347,352	\$ 2,984,635	\$ 959,600	\$ 4,291,587
<b>Estimated Fund Balance - 12/31/2024:</b>				
Restricted For:				
TABOR 3% Emergency Reserve			\$ 6,300	
Capital Improvement Fund			959,600	
Sanitation Enterprise Fund			2,984,635	
General Fund			341,052	
<b>Total Fund Balances</b>			<u>\$ 4,291,587</u>	

**APPLEWOOD SANITATION DISTRICT  
2024 GENERAL FUND BUDGET  
MODIFIED ACCRUAL BASIS**

	<b>2022 ACTUAL</b>	<b>2023 ADOPTED BUDGET</b>	<b>2023 ESTIMATED</b>	<b>2024 ADOPTED BUDGET</b>
<b>REVENUES</b>				
General Property Taxes	\$ 178,495	\$ 208,741	\$ 183,596	\$ 194,458
Specific Ownership Taxes	13,431	15,000	14,800	15,000
Inclusion Fees	3,096	-	-	-
Other Income	-	5,000	-	-
<b>Total Revenues</b>	<b>195,022</b>	<b>228,741</b>	<b>198,396</b>	<b>209,458</b>
<b>Other Sources</b>	-	-	-	-
<b>Total Revenues and Other Sources</b>	<b>195,022</b>	<b>228,741</b>	<b>198,396</b>	<b>209,458</b>
<b>EXPENDITURES</b>				
<i>Administrative Costs:</i>				
Accounting	39,629	40,000	60,000	65,000
Advertising & Legal Publications	-	500	100	500
Audit	6,300	6,500	7,000	7,500
Office Expenses	3,619	4,500	10,000	5,000
Directors Fees	5,813	7,000	5,500	6,500
Directors Bond & Insurance Premiums	-	9,500	7,000	7,500
Election Expense	-	10,000	-	5,000
Engineering Fees	45,066	98,500	99,700	104,000
Legal Fees	55,463	60,000	57,500	60,000
Secretarial Service - Board Meetings	900	2,100	600	-
Membership Dues	946	1,000	1,250	1,500
Miscellaneous	161	500	150	500
County Treasurer Collection Fee	2,720	3,200	2,846	3,100
Contingency	-	20,000	-	25,000
<b>Total Expenditures</b>	<b>160,616</b>	<b>263,300</b>	<b>251,646</b>	<b>291,100</b>
<b>Net Revenues Over Expenditures</b>	<b>34,405</b>	<b>(34,559)</b>	<b>(53,250)</b>	<b>(81,642)</b>
<b>Other Uses</b>				
Transfers-out to Sanitation Fund	-	-	-	-
Transfers-out to TABOR Reserve 3%	-	(500)	(200)	(300)
<b>Total Other Uses</b>	<b>-</b>	<b>(500)</b>	<b>(200)</b>	<b>(300)</b>
<b>Net Sources (Uses) of Funds</b>	<b>34,405</b>	<b>(35,059)</b>	<b>(53,450)</b>	<b>(81,942)</b>
<b>Fund Balances, Beginning of Year</b>	<b>448,339</b>	<b>263,104</b>	<b>482,744</b>	<b>429,294</b>
<b>Fund Balances, End of Year</b>	<b>\$ 482,744</b>	<b>\$ 228,045</b>	<b>\$ 429,294</b>	<b>\$ 347,352</b>
<b>FUND BALANCES:</b>				
Restricted For:				
TABOR 3% Emergency Reserve	\$ 5,800	\$ 8,000	\$ 6,000	\$ 6,300
Capital Improvement Fund	984,600	1,024,351	1,049,600	959,600
Sanitation Enterprise Fund	3,405,148	1,152,024	3,195,585	2,984,635
General Fund-Unrestricted	476,944	220,045	423,294	341,052
<b>Total Estimated Fund Balances</b>	<b>\$ 4,872,492</b>	<b>\$ 2,404,420</b>	<b>\$ 4,674,479</b>	<b>\$ 4,291,587</b>

**APPLEWOOD SANITATION DISTRICT  
2024 SANITATION ENTERPRISE FUND BUDGET  
MODIFIED ACCRUAL BASIS**

	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>
	<b>ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>ESTIMATED</b>	<b>ADOPTED BUDGET</b>
<b>REVENUES</b>				
Drainlayer Fees	\$ 1,025	\$ 1,000	\$ 1,500	\$ 1,500
Sewer Service Charges - Residential	365,670	404,800	408,500	509,000
Sewer Service Charges - Nonresidential	30,024	101,558	36,090	52,900
Sewer Service Charges - Multifamily	111,600	225,200	124,000	281,500
Sewer Connection Fees	2,065,958	800,000	465,420	55,200
Sewer Inspection Fees	9,200	10,000	5,000	7,500
Lien & Collection Fees	2,625	1,500	5,000	3,500
Interest Income	337	100	300	150
Transfer Fees	-	-	2,500	3,000
<b>Total Revenues</b>	<b>2,586,439</b>	<b>1,544,158</b>	<b>1,048,310</b>	<b>914,250</b>
<b>Other Sources</b>				
Transfers-In/Out from General Fund	-	-	-	-
<b>Total Revenues and Other Sources</b>	<b>2,586,439</b>	<b>1,544,158</b>	<b>1,048,310</b>	<b>914,250</b>
<b>EXPENDITURES</b>				
<i>Operating and Maintenance Costs:</i>				
Miscellaneous	-	500	7,350	500
Depreciation	-	40,000	45,000	50,000
Engineering	36,052	19,500	15,000	15,300
Line Maintenance and Video	89,835	105,000	105,000	120,000
<i>Sewer Treatment Charges:</i>				
Metro Wastewater	265,273	271,123	271,123	250,000
NWLSD (Net)	12,600	12,600	14,400	14,400
Contingency	-	20,000	-	25,000
<b>Total Expenditures</b>	<b>403,760</b>	<b>468,723</b>	<b>457,873</b>	<b>475,200</b>
<b>Net Revenues Over Expenditures</b>	<b>2,182,679</b>	<b>1,075,435</b>	<b>590,437</b>	<b>439,050</b>
<b>Other Uses</b>				
Transfers-out to Capital Improvements Fund	-	(800,000)	(800,000)	(650,000)
<b>Total Other Uses</b>	<b>-</b>	<b>(800,000)</b>	<b>(800,000)</b>	<b>(650,000)</b>
<b>Net Sources (Uses) of Funds</b>	<b>2,182,679</b>	<b>275,435</b>	<b>(209,563)</b>	<b>(210,950)</b>
<b>Fund Balances, Beginning of Year</b>	<b>1,222,469</b>	<b>876,589</b>	<b>3,405,148</b>	<b>3,195,585</b>
<b>Fund Balances, End of Year</b>	<b>\$ 3,405,148</b>	<b>\$ 1,152,024</b>	<b>\$ 3,195,585</b>	<b>\$ 2,984,635</b>

**APPLEWOOD SANITATION DISTRICT  
2024 CAPITAL IMPROVEMENTS FUND BUDGET  
MODIFIED ACCRUAL BASIS**

	<b>2022 ACTUAL</b>	<b>2023 ADOPTED BUDGET</b>	<b>2023 ESTIMATED</b>	<b>2024 ADOPTED BUDGET</b>
<b>REVENUES</b>				
Contribution to Line Extension	\$ 131,965	\$ 125,000	\$ 80,000	\$ 100,000
Interest Income	80,223	50,000	280,000	275,000
<b>Total Revenues</b>	<b>212,188</b>	<b>175,000</b>	<b>360,000</b>	<b>375,000</b>
<b>Other Sources</b>				
Transfers-In from Sanitation Fund	-	800,000	800,000	650,000
<b>Total Other Sources</b>	<b>-</b>	<b>800,000</b>	<b>800,000</b>	<b>650,000</b>
<b>Total Revenues and Other Sources</b>	<b>212,188</b>	<b>975,000</b>	<b>1,160,000</b>	<b>1,025,000</b>
<b>EXPENDITURES</b>				
Legal Fees	-	15,000	5,000	15,000
Line Extensions	131,965	125,000	90,000	100,000
Line Renovation	11,243	1,425,000	1,000,000	975,000
Contingency	-	20,000	-	25,000
<b>Total Expenditures</b>	<b>143,208</b>	<b>1,585,000</b>	<b>1,095,000</b>	<b>1,115,000</b>
<b>Net Sources (Uses) of Funds</b>	<b>68,980</b>	<b>(610,000)</b>	<b>65,000</b>	<b>(90,000)</b>
<b>Fund Balances, Beginning of Year</b>	<b>915,620</b>	<b>1,634,351</b>	<b>984,600</b>	<b>1,049,600</b>
Transfer to Net Investments-Capital Assets	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ 984,600</b>	<b>\$ 1,024,351</b>	<b>\$ 1,049,600</b>	<b>\$ 959,600</b>



**APPLEWOOD SANITATION DISTRICT  
2024 BUDGET MESSAGE AND  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Applewood Sanitation District, (the "District") was formed in 1958 for the purpose of providing sewage collection and transmission services. The District provides service to over 1,000 connecting taps located in the District's service area in Jefferson County, Colorado. The District contracts with Metro Water Recovery for all sewage treatment services.

The 2024 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2024 fiscal year based on anticipated revenues. This budget provides for the general operation of the District, the collection and treatment of sewage, and the capital improvements to the sanitary collection system.

The District's 2023 net assessed value increased 14.60% to \$93,624,383 for the 2024 budget year. The District's net mill levy decreased to 2.077 mills, in accordance with the TABOR amendment to the Colorado Constitution. The District's net mill levy is expected to generate approximately \$194,458 of property tax revenue in 2024. The District also anticipates receiving \$15,000 in specific ownership taxes in 2024.

**Budgetary Basis of Accounting**

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

The District's general fund and capital improvement fund are considered governmental funds and are reported using the economic resources focus and the modified accrual basis of accounting. Property taxes are recognized as revenues in the year for which they are levied.

The District's sanitation enterprise fund is prepared under the full accrual basis of accounting. Revenues are recorded when earned and expenses recorded when the liability is incurred, regardless of the timing of the related cash flows.

**Fund Summaries**

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

***Sanitation Enterprise Fund*** accounts for the operations that are financed and operated in a manner similar to private business enterprise, where the intent is that costs of providing services to the public on a continuing basis be financed primarily through a combination of user fees and charges. The District contracts for repair and maintenance services. Maintenance and repairs have been estimated by the District's engineer. The estimated expenditures include periodic cleaning and general maintenance of sanitary sewer collection system.

***Capital Improvement Fund*** accounts for the capital assets and improvements of the District. The capital improvement fund receives transfers from the general fund and sanitation enterprise fund, to accumulate and fund additions, replacements, and improvements to the District's sanitary sewer system. Capital expenditures include estimated repairs and improvements determined by sewer system monitoring programs overseen by the District engineer.

**APPLEWOOD SANITATION DISTRICT  
2024 BUDGET MESSAGE AND  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt Service**

The District does not currently have any outstanding indebtedness and does not currently anticipate any borrowings during 2024.

**Lease Purchase Transactions**

The District is not a party to any lease purchase agreements, nor does it contemplate entering any lease purchase transactions in 2024.

**Emergency Reserve**

As required by Section 20 of Article X of the Colorado Constitution ("TABOR"), the District has provided for an emergency reserve equal to 3% of the total fiscal year spending of the general fund.