

**Applewood Sanitation District**  
**Adopted Budget**  
**For Year Ending December 31, 2025**

**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, 2025, including estimated comparative information for the year ending December 31, 2024, and the actual comparative information for the year ending December 31, 2023, 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  
Golden, Colorado  
December 5, 2024

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

	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<b>ADOPTED BUDGET</b>	<b>ADOPTED BUDGET</b>	<b>ADOPTED BUDGET</b>
<b>ASSESSED VALUATION</b>	<b>\$ 81,698,970</b>	<b>\$ 93,624,383</b>	<b>\$ 96,452,202</b>
<b>Mill Levy</b>			
General Fund	2.620	2.077	5.203
Temporary Mill Levy Reduction	-	-	(3.126)
Abatements	-	-	-
Total Mill Levy	2.620	2.077	2.077
<b>Property Taxes</b>			
General Fund	\$ 214,051	\$ 194,458	\$ 501,841
Temporary Mill Levy Reduction	-	-	(301,510)
Abatements	-	-	-
Total Budgeted Property Taxes	<b>\$ 214,051</b>	<b>\$ 194,458</b>	<b>\$ 200,331</b>

**APPLEWOOD SANITATION DISTRICT**  
**2025 BUDGET - COMBINED FUNDS**  
**MODIFIED ACCRUAL BASIS**

	<b>2025 Budget</b>			
	General Fund	Sanitation Enterprise Fund	Capital Improvements Fund	Combined 2025 Budget Totals
<b>REVENUES</b>				
<i>Taxes:</i>				
General Property Taxes	\$ 200,331	\$ -	\$ -	\$ 200,331
Specific Ownership Taxes	15,000	-	-	15,000
<i>Charges for Services:</i>				
Drainlayers Fees	-	1,500	-	1,500
Sewer Service Charges - Residential	-	597,400	-	597,400
Sewer Service Charges - Nonresidential	-	139,000	-	139,000
Sewer Service Charges - Multifamily	-	324,800	-	324,800
Sewer Connection Fees	-	158,388	-	158,388
Sewer Inspection Fees	-	5,000	-	5,000
Lien & Collection Fees	-	3,500	-	3,500
Transfer Fees	-	1,500	-	1,500
Interest Income	-	100	200,000	200,100
Contribution to Line Extension	-	-	175,000	175,000
<b>Total Revenues</b>	<b>215,331</b>	<b>1,231,188</b>	<b>375,000</b>	<b>1,821,519</b>
<b>EXPENDITURES</b>				
<i>Administrative Costs:</i>				
Accounting	75,000	-	-	75,000
Advertising & Legal Publications	500	-	-	500
Audit	8,500	-	-	8,500
Bank Charges	150	-	-	150
Office Rent & Phone, Supplies, Website	15,000	-	-	15,000
Directors Fees	6,500	-	-	6,500
Directors Bond & Insurance Premiums	7,500	-	-	7,500
Election Expense	10,000	-	-	10,000
Engineering Fees	75,500	-	-	75,500
Legal Fees	70,000	-	25,000	95,000
Secretarial Service - Board Meetings	1,800	-	-	1,800
Membership Dues	1,500	-	-	1,500
Miscellaneous	500	1,000	-	1,500
County Treasurer Collection Fee	3,005	-	-	3,005
<i>Operating and Maintenance Costs:</i>				
Depreciation	-	75,000	-	75,000
Engineering	-	14,000	-	14,000
Locates	-	80,000	-	80,000
Line Maintenance and Video	-	120,000	-	120,000
<i>Sewer Treatment Charges:</i>				
Metro Wastewater	-	286,000	-	286,000
NWLSD (Net)	-	15,300	-	15,300
<i>Capital Improvements:</i>				
Line Extension	-	-	175,000	175,000
Line Renovation and Repair	-	-	1,000,000	1,000,000
Contingency	25,000	25,000	25,000	75,000
<b>Total Expenditures</b>	<b>300,455</b>	<b>616,300</b>	<b>1,225,000</b>	<b>2,141,755</b>
<b>Excess Revenues (Expenditures)</b>	<b>(85,124)</b>	<b>614,888</b>	<b>(850,000)</b>	<b>(320,236)</b>
<b>Other Sources (Uses)</b>				
Transfer From (To) Emergency Reserves	-	-	-	-
Transfers In - Sanitation Fund	-	-	850,000	850,000
Transfers-out to Capital Improvements Fund	-	(850,000)	-	(850,000)
<b>Total Other Uses</b>	<b>-</b>	<b>(850,000)</b>	<b>850,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(85,124)</b>	<b>(235,112)</b>	<b>-</b>	<b>(320,236)</b>

**APPLEWOOD SANITATION DISTRICT  
2025 BUDGET - COMBINED FUNDS  
MODIFIED ACCRUAL BASIS**

	<b>2025 Budget</b>			
	General Fund	Sanitation Enterprise Fund	Capital Improvements Fund	Combined 2025 Budget Totals
<b>Fund Balances, Beginning of Year</b>	370,952	3,059,305	599,579	4,029,836
<b>Fund Balances, End of Year</b>	\$ 285,828	\$ 2,824,193	\$ 599,579	\$ 3,709,600
<b>Estimated Fund Balance - 12/31/2025:</b>				
Restricted For:				
TABOR 3% Emergency Reserve				\$ 6,500
Capital Improvement Fund				599,579
Sanitation Enterprise Fund				2,824,193
General Fund				279,328
<b>Total Fund Balances</b>				\$ 3,709,600

**APPLEWOOD SANITATION DISTRICT  
2025 GENERAL FUND BUDGET  
MODIFIED ACCRUAL BASIS**

	2023 ACTUAL	2024 ADOPTED BUDGET	2024 AMENDED BUDGET	2024 ESTIMATED	2025 ADOPTED BUDGET
<b>REVENUES</b>					
General Property Taxes	\$ 182,034	\$ 194,458	\$ 194,458	\$ 195,216	\$ 200,331
Specific Ownership Taxes	15,319	15,000	15,000	14,600	15,000
Other Income	-	-	-	5,747	-
<b>Total Revenues</b>	<u>197,353</u>	<u>209,458</u>	<u>209,458</u>	<u>215,563</u>	<u>215,331</u>
<b>EXPENDITURES</b>					
<i>Administrative Costs:</i>					
Accounting	66,581	65,000	66,500	66,500	75,000
Advertising & Legal Publications	-	500	-	-	500
Audit	7,000	7,500	8,500	8,500	8,500
Bank Charges	-	-	100	100	150
Office Expenses	12,752	5,000	15,000	12,500	15,000
Directors Fees	5,275	6,500	6,500	6,500	6,500
Directors Bond & Insurance Premiums	6,763	7,500	7,500	6,000	7,500
Election Expense	-	5,000	5,000	-	10,000
Engineering Fees	56,321	104,000	135,000	130,500	75,500
Legal Fees	60,002	60,000	65,000	65,000	70,000
Secretarial Service - Board Meetings	600	-	1,500	1,350	1,800
Membership Dues	1,238	1,500	1,500	1,238	1,500
Miscellaneous	-	500	500	500	500
County Treasurer Collection Fee	2,792	3,100	3,100	3,100	3,005
Contingency	-	25,000	34,300	-	25,000
<b>Total Expenditures</b>	<u>219,325</u>	<u>291,100</u>	<u>350,000</u>	<u>301,788</u>	<u>300,455</u>
<b>Excess Revenues (Expenditures)</b>	<u>(21,972)</u>	<u>(81,642)</u>	<u>(140,542)</u>	<u>(86,225)</u>	<u>(85,124)</u>
<b>Other Sources (Uses)</b>					
Transfers-out to Sanitation Fund	-	-	-	-	-
Transfers-out to TABOR Reserve 3%	-	(300)	(300)	(500)	-
<b>Net Other Sources (Uses)</b>	<u>-</u>	<u>(300)</u>	<u>(300)</u>	<u>(500)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>(21,972)</u>	<u>(81,942)</u>	<u>(140,842)</u>	<u>(86,725)</u>	<u>(85,124)</u>
<b>Fund Balances, Beginning of Year</b>	<u>479,649</u>	<u>429,294</u>	<u>457,677</u>	<u>457,677</u>	<u>370,952</u>
<b>Fund Balances, End of Year</b>	<u>\$ 457,677</u>	<u>\$ 347,352</u>	<u>\$ 316,835</u>	<u>\$ 370,952</u>	<u>\$ 285,828</u>
<b>FUND BALANCES:</b>					
Restricted For:					
TABOR 3% Emergency Reserve	\$ 6,000	\$ 6,300	\$ 6,300	\$ 6,500	\$ 6,500
Capital Improvement Fund	1,064,579	959,600	549,579	599,579	599,579
Sanitation Enterprise Fund	3,271,457	2,984,635	3,059,305	3,059,305	2,824,193
General Fund-Unrestricted	451,677	341,052	310,535	364,452	279,328
<b>Total Estimated Fund Balances</b>	<u>\$ 4,793,713</u>	<u>\$ 4,291,587</u>	<u>\$ 3,925,719</u>	<u>\$ 4,029,836</u>	<u>\$ 3,709,600</u>

**APPLEWOOD SANITATION DISTRICT  
2025 SANITATION ENTERPRISE FUND BUDGET  
MODIFIED ACCRUAL BASIS**

	<b>2023</b>	<b>2024</b>	<b>2024</b>	<b>2025</b>
	<b>ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>ESTIMATED</b>	<b>ADOPTED BUDGET</b>
<b>REVENUES</b>				
Drainlayer Fees	\$ 1,175	\$ 1,500	\$ 1,000	\$ 1,500
Sewer Service Charges - Residential	408,257	509,000	510,000	597,400
Sewer Service Charges - Nonresidential	42,626	52,900	108,000	139,000
Sewer Service Charges - Multifamily	124,000	281,500	215,000	324,800
Sewer Connection Fees	460,300	55,200	38,140	158,388
Sewer Inspection Fees	3,600	7,500	3,000	5,000
Lien & Collection Fees	7,200	3,500	4,850	3,500
Interest Income	338	150	100	100
Transfer Fees	1,600	3,000	2,000	1,500
<b>Total Revenues</b>	<b>1,049,096</b>	<b>914,250</b>	<b>882,090</b>	<b>1,231,188</b>
<b>EXPENDITURES</b>				
<i>Operating and Maintenance Costs:</i>				
Miscellaneous	501	500	100	1,000
Depreciation	-	50,000	65,000	75,000
Locates	-	-	-	80,000
Engineering	60,591	15,300	15,000	14,000
Line Maintenance and Video	103,668	120,000	117,500	120,000
<i>Sewer Treatment Charges:</i>				
Metro Wastewater	271,123	250,000	232,242	286,000
NWLSD (Net)	-	14,400	14,400	15,300
Contingency	-	25,000	-	25,000
<b>Total Expenditures</b>	<b>435,883</b>	<b>475,200</b>	<b>444,242</b>	<b>616,300</b>
<b>Excess Revenues (Expenditures)</b>	<b>613,213</b>	<b>439,050</b>	<b>437,848</b>	<b>614,888</b>
<b>Other Sources (Uses)</b>				
Transfers out - Capital Improvements Fund	(750,000)	(650,000)	(650,000)	(850,000)
<b>Net Other Sources (Uses)</b>	<b>(750,000)</b>	<b>(650,000)</b>	<b>(650,000)</b>	<b>(850,000)</b>
<b>Net Change in Fund Balance</b>	<b>(136,787)</b>	<b>(210,950)</b>	<b>(212,152)</b>	<b>(235,112)</b>
<b>Fund Balances, Beginning of Year</b>	<b>3,408,244</b>	<b>3,195,585</b>	<b>3,271,457</b>	<b>3,059,305</b>
<b>Fund Balances, End of Year</b>	<b>\$ 3,271,457</b>	<b>\$ 2,984,635</b>	<b>\$ 3,059,305</b>	<b>\$ 2,824,193</b>

**APPLEWOOD SANITATION DISTRICT  
2025 CAPITAL IMPROVEMENTS FUND BUDGET  
MODIFIED ACCRUAL BASIS**

	<b>2023 ACTUAL</b>	<b>2024 ADOPTED BUDGET</b>	<b>2024 AMENDED BUDGET</b>	<b>2024 ESTIMATED</b>	<b>2025 ADOPTED BUDGET</b>
<b>REVENUES</b>					
Contribution to Line Extension	\$ 75,963	\$ 100,000	\$ 150,000	\$ 165,000	\$ 175,000
Interest Income	286,090	275,000	260,000	260,000	200,000
<b>Total Revenues</b>	<b>362,053</b>	<b>375,000</b>	<b>410,000</b>	<b>425,000</b>	<b>375,000</b>
<b>EXPENDITURES</b>					
Legal Fees	-	15,000		-	25,000
Line Extensions	75,963	100,000	175,000	165,000	175,000
Line Renovation	956,111	975,000	1,400,000	1,375,000	1,000,000
Contingency	-	25,000	-	-	25,000
<b>Total Expenditures</b>	<b>1,032,074</b>	<b>1,115,000</b>	<b>1,575,000</b>	<b>1,540,000</b>	<b>1,225,000</b>
<b>Excess Revenues (Expenditures)</b>	<b>(670,021)</b>	<b>(740,000)</b>	<b>(1,165,000)</b>	<b>(1,115,000)</b>	<b>(850,000)</b>
<b>Other Sources (Uses)</b>					
Transfers In - Sanitation Fund	750,000	650,000	650,000	650,000	850,000
<b>Net Other Sources (Uses)</b>	<b>750,000</b>	<b>650,000</b>	<b>650,000</b>	<b>650,000</b>	<b>850,000</b>
<b>Net Change in Fund Balance</b>	<b>79,979</b>	<b>(90,000)</b>	<b>(515,000)</b>	<b>(465,000)</b>	<b>-</b>
<b>Fund Balances, Beginning of Year</b>	<b>984,600</b>	<b>1,049,600</b>	<b>1,064,579</b>	<b>1,064,579</b>	<b>599,579</b>
<b>Fund Balances, End of Year</b>	<b>\$ 1,064,579</b>	<b>\$ 959,600</b>	<b>\$ 549,579</b>	<b>\$ 599,579</b>	<b>\$ 599,579</b>



**APPLEWOOD SANITATION DISTRICT  
2025 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 2025 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2025 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 2024 net assessed value increased 3.02% to \$96,452,202 for the 2025 budget year. The District's net mill levy remained the same at 2.077 mills, in accordance with the TABOR amendment to the Colorado Constitution. The District's net mill levy is expected to generate approximately \$200,331 of property tax revenue in 2025. The District also anticipates receiving \$15,000 in specific ownership taxes in 2025.

**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  
2025 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 2025.

**Lease Purchase Transactions**

The District is not a party to any lease purchase agreements, nor does it contemplate entering any lease purchase transactions in 2025.

**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.