Boxelder Sanitation District

Annual Financial Statements and Independent Auditor's Report

December 31, 2022 and 2021

Haynie & Company

HaynieCPAs.com

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Independent Auditor's Report

Members of the Board of Directors
Boxelder Sanitation District
Fort Collins, Colorado

Opinions

We have audited the accompanying financial statements of the business-type activities of Boxelder Sanitation District (the "District") as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Boxelder Sanitation District, as of December 31, 2022 and 2021, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits 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 Boxelder 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Boxelder 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, including omissions, 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 Boxelder 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 Boxelder 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 and retirement plan supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 that collectively comprise Boxelder Sanitation District's financial statements as a whole. The other supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of revenues, expenses and changes in net position budget and actual (non-GAAP budgetary basis), 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 schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Haynie & Company

Littleton, Colorado
June 15, 2023

Boxelder Sanitation District
Management Discussion and Analysis

2022 Year in Perspective

The below table illustrates year-over-year changes in customer base, operating revenue and capital assets for Boxelder Sanitation District (the "District").

Category	Growth over the previous year		
	2022	2021	2020
Customer base	1%	8%	9%
Operating revenue	7%	(2)%	(17)%
Capital assets (net of depreciation)	2%	26%	40%

General Discussion

The District is a single fund entity whose primary function is to collect and treat wastewater. The operating revenues and expenses relate to the core function of operating the District and its facilities, while the non-operating revenues and expenses include items not related to day-to-day operations such as gain on disposal of capital assets, investment income and interest expense on debt. The basic financial statements of the District consist of two primary statements: *Statements of Net Position* and *Statements of Revenues, Expenses and Changes in Net Position.*

Statements of Net Position reflect the cumulative financial condition of the District at two points in time: December 31, 2022 and 2021. The net position category of the *Statements of Net Position* reflects the sum total of earnings (revenues less expenses) and contributions to the District over its lifetime, net of any losses incurred.

Statements of Revenues, Expenses and Changes in Net Position shows the change in financial condition from operations and other activities during the fiscal years ending December 31, 2022, and 2021. Changes in net position for this period are the net sum of operations, non-operating incomes and expenses, and capital contributions.

Discussion of Statements of Net Position

Changes in the primary constituent of net position are summarized in the table below:

Category	2022 (In Millions)	2021 (In Millions)	2020 (In Millions)
Current Assets	$34.806	$34.394	$30.575
Non-Current Assets	$ .977	$ .888	$11.588
Net Capital Assets	$81.009	$ 79.231	$62.798
Deferred Outflows	$ .225	$ .440	$.147
Current Liabilities	$ 1.897	$ 3.152	$6.003
Non-Current Liabilities	$31.239	$33.425	$35.197
Deferred Inflows	$ 1.304	$ 1.028	$0.537
Net Assets Position:			
Net Investment in Capital Assets	$48.648	$45.618	$27.860
Restricted	$ .836	$ .888	$11.588
Unrestricted	$33.092	$30.841	$23.923
Total	$82.576	$77.347	$63.372

Current Assets : The 2022 current assets increased by approximately 1% from the prior year, primarily due to higher balances in cash and cash equivalents in preparation for the wastewater treatment plant expansion.

Non-Current Assets: Non-current assets reflect the restricted assets associated with the 2010 and 2019 borrowings from the Colorado Water Resources and Power Development Authority ("CWR&PDA ") for the change of wastewater treatment process necessary to comply with the District's National Pollutant Discharge Elimination System ("NPDES") permit. The restricted amount is comprised of an operational and maintenance reserve in an amount equal to three months of operating expenses excluding depreciation as set forth in the annual budget for the current fiscal year. Loan proceeds of $10,000 were received in 2022 and $10,717,371 were received in 2021. Additional information on the borrowings can be found in Note 6 of this report.

Capital Assets: During the fiscal year 2022 , the primary changes in capital assets was a result of completion of the new wastewater treatment plant. A net increase in capital assets net of depreciation was $1,777,964.

During the fiscal year 2021, the primary increase in capital assets was a result of Construction in Process related to the new wastewater treatment plant. The net increase in capital assets net of depreciation was $16,432,369.

Additional information on the District's capital assets can be found in Note 5 of this report.

Current Liabilities: At December 31, 2022 current liabilities were $1,255,005 less than the amount at December 31, 2021. Current portion of long-term debt increased as result of work performed on the new plant and accumulation of retainers as the District completed the project.

Non-Current Liabilities: The 2022 non-current liabilities decreased by $2,185,249 when compared to 2021 primarily due to payments on the 2019 CWRPDA note (Note 6) and the net pension liability related to the District's portion of the PERA pension plan moved to an asset.

Net Position: Net position at fiscal year-end of 2022 was approximately $82.5 million, an increase of 7% (approximately $5.2 million) over the total net position at the end of fiscal year 2021. Net position at fiscal year-end of 2021 was approximately $77.3 million, an increase of 22% (approximately $14.0 million) over the total net position at the end of fiscal year 2020.

Discussion of Statements of Revenues, Expenses and Changes in Net Position

Category	2022 (In Millions)	2021 (In Millions)	2020 (In Millions)
Total Operating Revenue	$ 5.331	$4.980	$5.094
Total Operating Expenses	$(3.945)	$(3.617)	$(3.425)
Income from Operations	$1.387	$1.363	$1.669
Non-Operating Income (Expenses)	$(0.115)	$(0.616)	$(0.589)
Capital Contributions	$3.957	$13.228	$7.510
Increase in Net Position	$5.229	$13.975	$8.590
Net Position - January 1	$77.347	$63.372	$54.782
Net Position - December 31	$82.576	$77.347	$63.372

Revenue Streams: The main revenue streams to the District consist of sewer utility charges and Plant Investment Fees (PIF). The sewer utility charges are on-going monthly charges paid by District customers while the PIF are one-time capital infusions from new construction and development. A smaller revenue stream (other revenues) consists mainly of delinquent penalty charges, growth related plan review fees, and infrastructure inspection charges. The District does not levy a tax on properties in the District.

Capital Contributions: The District received sanitary sewer infrastructure valued at $2,349,494 in 2022 and $6,477,917 in 2021, which is a decrease of $4,128,423 from 2021.

Historically, PIF collections have been a barometer of growth, as they are capital investments paid to the District related to new residential and non-residential construction. In 2022, net PIF revenue was approximately $1.608 million for a total of approximately 152 taps purchased. In 2021, net PIF revenue was approximately $6.750 million for a total of approximately 577 taps purchased.

Operating Expenses: There are three categories of operating expenses tied integrally to the District's primary mission of providing sanitary sewer service: collection and transmission of the wastewater to the treatment plant, treatment of the wastewater, and the industrial pretreatment program.

The three largest expenses in 2022, in decreasing rank by amount, were depreciation of District's capital assets, salaries and benefits, and sewage treatment. General and administrative expenses are included in the operating expenses and quantify the cost of support services provided to the District's activities centered on its core mission. These expenses for 2022 increased by $12,094 from 2021 .

Total 2022 operating revenue (sewer charges, growth, and other revenue) were higher than 2021 operating revenue by approximately 7%. The 2022 operating expenses (exclusive of depreciation and amortization) were lower than 2021 operating expenses by (8%) largely due to lower personnel cost of $1,133,839 in the current year as opposed to $1,518,199 in the prior year.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in this matter. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's office at P.O. Box 1518, Fort Collins, CO 80522.

Basic Financial Statements

Boxelder Sanitation District

Statements of Net Position

December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	$ 34,275,002	$ 33,918,053
Accounts receivable, net	481,458	428,258
Prepaid expenses	49,364	47,234
Total Current Assets	34,805,824	34,393,545
Non-Current Assets		
Net pension asset	141,519	-
Restricted assets		
Cash and cash equivalents	835,727	877,619
Loan proceeds receivable	-	10,000
Total restricted assets	977,246	887,619
Capital assets		
Buildings and improvements	1,103,657	1,103,657
Collection and disposal system	42,904,749	39,569,488
Treatment plant	46,897,636	14,817,157
Equipment	1,906,272	1,965,606
Right-to-use leased equipment	99,932	-
Less accumulated depreciation and amortization	(12,706,802)	(12,117,971)
	80,205,444	45,337,937
Land and easements	759,665	759,665
Construction in progress	43,693	33,133,236
	803,358	33,892,901
Capital assets, net	81,008,802	79,230,838
Total Assets	$ 116,791,872	$ 114,512,002
Deferred Outflows of Resources		
Deferred outflows related to pension	210,694	421,445
Deferred outflows related to OPEB	13,890	18,758
Total Deferred Outflows of Resources	$ 224,584	$ 440,203

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

Boxelder Sanitation District
Statements of Net Position (continued)
December 31, 2022 and 2021

	2022	2021
Liabilities and Net Position		
Liabilities		
Current liabilities		
Accounts payable	$ 74,267	$ 1,246,960
Current portion of long-term debt	1,305,585	1,279,620
Current portion of accrued absences	74,101	62,128
Wages payable	126,469	105,308
Other accrued expenses	32,465	163,722
Accrued interest expense	284,449	294,603
Total Current Liabilities	1,897,336	3,152,341
Non-Current Liabilities		
Long-term debt, net of current portion and unamortized premium/(discount)	31,055,137	32,343,347
Net pension liability	-	894,705
Net OPEB liability	110,259	124,564
Accrued compensated absences	74,100	62,129
Total Non-Current Liabilities	31,239,496	33,424,745
Total Liabilities	33,136,832	36,577,086
Deferred Inflows of Resources		
Deferred inflows related to pension	1,259,176	988,244
Deferred inflows related to OPEB	44,351	40,113
Total Deferred Inflows of Resources	1,303,527	1,028,357
Net Position		
Net investment in capital assets	48,648,080	45,617,871
Restricted	835,727	887,619
Unrestricted	33,092,290	30,841,272
Total Net Position	$82,576,097	$ 77,346,762

Boxelder Sanitation District

Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2022 and 2021

	2022	2021
Operating Revenues		
Sewer charges and other services	$ 5,107,406	$ 4,859,166
Growth revenue	182,971	79,746
Other revenue	41,198	41,296
Total operating revenues	5,331,575	4,980,208
Operating Expenses		
General and administrative expenses	564,996	552,902
Collection and transmission	91,691	81,676
Sewage treatment	608,570	459,248
Pretreatment	20,347	18,263
Personnel costs	1,133,839	1,518,199
Amortization expense	23,513	-
Depreciation expense	1,501,585	986,429
Total operating expenses	3,944,541	3,616,717
Operating Income	1,387,034	1,363,491
Nonoperating Revenues (Expenses)		
Gain (loss) on disposal of capital assets	-	(6,967)
Net investment income	479,180	13,011
Interest expense	(594,373)	(622,484)
Total Nonoperating Revenues (Expenses)	(115,193)	(616,440)
Income Before Capital Contributions	1,271,841	747,051
Capital Contributions		
System development charges	1,608,000	6,750,000
Contributed capital assets	2,349,494	6,477,917
Total capital contributions	3,957,494	13,227,917
Change in Net Position	5,229,335	13,974,968
Net Position—Beginning of Year	77,346,762	63,371,794
Net Position—End of Year	$ 82,576,097	$ 77,346,762

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

Boxelder Sanitation District

Statements of Cash Flows

For the Year Ended December 31, 2022

	2022	2021
Cash Flows from Operating Activities:		
Cash received from customers	$ 5,278,375	$ 4,973,846
Cash paid to suppliers for goods and services	(3,185,637)	(4,154,993)
Cash paid to employees for services	(1,054,522)	(1,579,865)
Net Cash From Operating Activities	1,038,216	(761,012)
Cash Flows from Capital and Related Financing Activities:		
System development charges received	1,608,000	6,750,000
Acquisition and construction of capital assets	(853,636)	(10,947,849)
Loan proceeds received	10,001	10,717,371
Payment of right of use liability	(21,436)	-
Payment of principal on long-term debt	(1,279,620)	(1,251,844)
Payment of interest on long-term debt	(665,648)	(698,703)
Net Cash From Capital and Related Financing Activities	(1,202,339)	4,568,975
Cash Flows from Investing Activities:		
Net investment income received	479,180	13,011
Net Cash from Investing Activities	479,180	13,011
Net Change in Cash and Cash Equivalents	315,057	3,820,974
Cash and Cash Equivalents—Beginning of Year	34,795,672	30,974,698
Cash and Cash Equivalents—End of Year	$ 35,110,729	$34,795,672
Reconciliation of Net Operating Income to Net Cash From Operating Activities:		
Net operating income	$ 1,387,034	$ 1,363,491
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	1,525,098	986,429
Changes in assets and liabilities:		
Receivables	(53,199)	(6,360)
Prepaid expenses	(2,130)	(8,183)
Accounts payable	(1,172,693)	(2,736,204)
Accrued liabilities	(131,257)	(191,845)
Accrued compensated absences	21,161	7,071
Accrued salary	23,942	-
Pension liability and related deferrals	(554,541)	(172,503)
OPEB liability and related items	(5,199)	(2,908)
Total Adjustments	(348,818)	(2,124,503)
Net Cash From Operating Activities	$ 1,038,216	$ (761,012)
Cash and Cash Equivalents as stated on the Statements of Net Position:		
Cash and cash equivalents	$ 34,275,002	$ 33,918,053
Restricted cash	835,727	877,619
	$ 35,110,729	$34,795,672

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

Boxelder Sanitation District
Notes to Financial Statements
December 31, 2022 and 2021

1. Definition of Reporting Entity

The Boxelder Sanitation District (the District) is organized under the provisions of Section 32-1-305 (6) of the Colorado Revised Statutes ("C.R.S."). It is a quasi-municipal corporation and a political subdivision of the State of Colorado with all powers thereof, which include the power to levy taxes against property within the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial principles. The District's significant accounting policies are described below.

2. Summary of Significant Accounting Policies

In conformity with GASB financial reporting standards, the District is the reporting entity for financial reporting purposes. The District is the primary government financially accountable for all activities of the District. The District meets the criteria of a primary government: its Board of Directors is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The District is not included in any other governmental reporting entity.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

1) Appointment of a voting majority of the component unit's governing board, and either, a) the ability to impose its will by the primary government, or b) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government; or

2) Fiscal dependency on the primary government and there is a potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointment by a higher level of government, or (3) a jointly appointed board.

Based on the above criteria, there are no other organizations that would be considered component units of the District. The District meets the criteria of an "other standalone government."

2. Summary of Significant Accounting Policies (continued)

Basic Financial Statements

The District is a special-purpose government engaged only in business-type activities. As such, enterprise fund financial statements are presented.

Basis of Accounting

Proprietary funds, which include enterprise funds, are accounted for on a flow of economic resources measurement focus using the accrual basis of accounting. Therefore, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of this fund are included on the statements of net position. Revenues and expenses are recorded in the accounting period in which they are earned or incurred, and they become measurable. Net position is segregated into net investment in capital assets, restricted for operations and maintenance and loan proceeds, and unrestricted. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration.

Budgets and Budgetary Accounting

An annual budget and appropriation resolution is adopted by the Board of Directors (the "Board") in accordance with state statutes. The budget is prepared on a basis consistent with GAAP except that capital asset additions and principal payments are budgeted as expenditures, debt proceeds are budgeted as revenues, and depreciation is not budgeted.

The budget process timeline is as follows:

1) On or about October 15, the District staff submits to the Board 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 regular Board meetings to obtain taxpayer comments.

3) Prior to December 15, the budget is legally adopted by the Board if levying property taxes, or December 31 if not levying property taxes.

4) Unused appropriations lapse at the end of each year.

The following is a summary of the original budget, total revisions, and revised budget for fiscal year 2022:

	Original Budget	Total Revisions	Revised Budget
Enterprise fund expenses	$ 8,622,454	$ -	$ 8,622,454

2. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

The District considers all highly liquid investments with original maturities of three months or less which are available for operating expenditures to be cash equivalents.

Allowance for Doubtful Accounts

User and other similar fees set from time to time by the District's governing board constitute a perpetual lien on or against the property served until paid. Such liens may be foreclosed in the same manner as provided by the laws of the State of Colorado. Therefore, no provision for uncollectible receivables is considered necessary.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the financial statements.

Capital Assets

Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are valued at historical cost. Donated capital assets are valued at their estimated fair value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed.

Depreciation of capital assets is charged as an expense against operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings and Improvements	7 to 20 years
Collection and disposal system	50 to 100 years
Treatment plant	50 years
Equipment	3 to 10 years

Accrued Compensated Absences Payable

Obligations associated with the District's vacation policy are recorded as a liability and expense when earned to the extent that such benefits vest to the employee. The amount of the accrued and unpaid balance due under this policy is considered a long-term liability.

The District has recorded a liability of $148,201 and $124,257 at December 31, 2022 and 2021, respectively.

Debt Issuance Costs

Debt issuance costs are recognized as an expense during the period of issuance.

2. Summary of Significant Accounting Policies (continued)

Debt Related Deferrals

Premiums and discounts are deferred and amortized to interest expense over the life of the debt using the effective interest method. The net premiums and discounts are presented as an adjustment to the face amount of the debt.

Deferred Outflows/Inflows of Resources

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

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

The District's deferred outflows and inflows of resources primarily relate to pensions and other post-employment benefits ("OPEB") more fully described in notes 8 and 9.

Net Position

Net position is classified in the following categories:

Net Investment in Capital Assets - This category groups all capital assets into one component of net position. Accumulated depreciation of these assets and related debt balances reduce this category.

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category represents the net position of the District, which is not restricted for any project or other purpose. A deficit will require future funding.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Pensions

The District participates in the Local Government Division Trust Fund ("LGDTF"), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of

2. Summary of Significant Accounting Policies (continued)

resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments in PERA are reported at fair value.

Other Post-Employment Benefits

The District participates in the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer defined benefit OPEB fund administered by PERA. The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/ or payable in accordance with the benefit terms. Investments are reported at fair value.

Operating Revenue - Sewer Charges

Charges for sewer service consist primarily of monthly charges for services provided to residential and commercial customers within the District's boundaries.

Connection Fees

Customers pay a system development charge called a Plant Investment Fee ("PIF"). The PIF for nonresidential customers is based upon their water meter size and for residential customers it was $12,000 per single family residential unit, for the years ended December 31, 2022 and 2021.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Summary of Significant Accounting Policies (continued)

Adoption of New Accounting Pronouncements

The GASB issued Statement No. 87, "Leases". This Statement was issued in June 2017 and increases the usefulness of government financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement were effective for the District as of January 1, 2022. The District has implemented this Statement in fiscal year 2022. As a result of implementation, a right-of-use lease asset and a lease liability totaling $99,932 were recorded as of January 1, 2022.

Reclassifications

Certain prior year amounts have been adjusted to conform to the current year presentation. These reclassifications did not have an impact on the District's change in net assets.

3. Cash, Cash Equivalents and Investments

Custodial Credit Risk - Deposits

Colorado state statutes govern the entity's deposits of cash. For deposits in excess of federally insured limits, C.R.S. requires the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act ("PDPA") requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the federal insurance levels to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the State. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits. At December 31, 2022 and 2021, the District had deposits with a financial institution with carrying amounts of $10,136,295 and $10,249,744, respectively. The bank balance with the financial institution were $10,035,586 and $12,093,025, respectively. Of these amounts, $250,000 was covered by federal depository insurance. The remaining balances of $9,785,586 and $11,843,025, respectively, were collateralized with securities held by the financial institutions' agents but not in the District's name.

3. Cash, Cash Equivalents and Investments (continued)

Cash and cash equivalents, including restricted cash and cash equivalents, held by the District at December 31, 2022 and 2021 were as follows:

	2022	2021
Cash on hand	$ 200	$ 200
Cash on deposit with financial institution	10,136,295	10,249,744
Local government investment pool	24,974,234	24,545,728
Total	$ 35,110,729	$ 34,795,672

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria that local governments may invest in, which include:

- Certificates of deposit with an original maturity in excess of three months,
- obligations of the United States and certain U.S. government agency securities,
- certain international agency securities, general obligation and revenue bonds of U.S. local government entities,
- bankers' acceptances of certain banks,
- commercial paper,
- written repurchase agreements collateralized by certain authorized securities,
- certain money market funds,
- guaranteed investment contracts, and
- local government investment pools.

District policy is to match maturity of investments with cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than three (3) years from the date of purchase or in accordance with state and local statutes and ordinances.

Custodial Credit Risk - Investments

Custodial credit risk of investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2022 and 2021, none of the District's investments were exposed to custodial credit risk.

3. Cash, Cash Equivalents and Investments (continued)

Interest Rate Risk

The District's written investment policy limits investment maturities to five years or less from the date of purchase as a means of managing its exposure to fair value losses arising from increasing interest rates.

Local Government Investment Pool

As of December 31, 2022 and 2021, the District had $24,974,234 and $24,545,728, respectively, invested in the Colorado Local Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds and is registered with the State Securities Commissioner. Colotrust is rated AAAm by Standard and Poor's. Colotrust operates similarly to a money market fund and each share is equal in value to $1.00. Colotrust offers shares in three portfolios, Colotrust Prime, Colotrust Plus+, and Edge. The District funds are invested in Colotrust Prime+ and Edge. The portfolio may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank serves as custodian for Colotrust's portfolios pursuant to a custodian agreement.

Substantially all securities owned by Colotrust are held by the Federal Reserve Bank in the account maintained for the custodial banks. The custodian acts as safekeeping agent for Colotrust investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by Colotrust. Colotrust records its investments at fair value and the District records its investments in Colotrust using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice paid.

Cash and cash equivalents balances reflected on the Statements of Net Position at December 31, 2022 and 2021 were as follows:

	2022	2021
Cash and cash equivalents	$ 34,275,002	$ 33,918,053
Restricted cash and cash equivalents	835,727	877,619
Total	$ 35,110,729	$ 34,795,672

4. Restricted Assets

Amounts shown as restricted cash and cash equivalents have been restricted by loan indentures to be used for specified purposes. The balances restricted as of December 31, 2022 and 2021 were $835,727 and $877,619, respectively.

Boxelder Sanitation District
Notes to Financial Statements (continued)
December 31, 2022 and 2021

5. Capital Assets

An analysis of the changes in net capital asset for the year ended December 31, 2022 follows:

	Balance December 31, 2021	Transfers/ Additions	Transfers/ Retirements	Balance December 31, 2022
Capital assets, not being depreciated:				
Land and easements	$ 759,665	$ -	$ -	$ 759,665
Construction in progress	33,133,236	43,693	(33,133,236)	43,693
Total capital assets, not being depreciated	33,892,901	43,693	(33,133,236)	803,358
Capital assets, being depreciated:				
Buildings and improvements	1,103,657	-	-	1,103,657
Collection and disposal system	39,569,488	3,335,261	-	42,904,749
Treatment plant	14,817,157	32,787,301	(706,822)	46,897,636
Equipment	1,965,606	170,110	(229,444)	1,906,272
Right-to-use leased equipment	-	99,932	-	99,932
Total capital assets, being depreciated	57,455,908	36,392,604	(936,266)	92,912,246
Less accumulated depreciation and amortization	(12,117,971)	(1,525,098)	936,266	(12,706,803)
Total capital assets, being depreciated, net	45,337,937	34,867,506	-	80,205,444
Capital assets, net	$ 79,230,838	$ 34,911,199	$ (33,133,236)	$ 81,008,802

An analysis of the changes in net capital asset for the year ended December 31, 2021 follows:

	Balance December 31, 2020	Transfers/ Additions	Transfers/ Retirements	Balance December 31, 2021
Capital assets, not being depreciated:				
Land and easements	$ 759,665	$ -	$ -	$ 759,665
Construction in progress	23,137,906	10,905,554	(910,224)	33,133,236
Total capital assets, not being depreciated	23,897,571	10,905,554	(910,224)	33,892,901
Capital assets, being depreciated:				
Buildings and improvements	1,262,711	-	(159,054)	1,103,657
Collection and disposal system	32,154,631	7,414,857	-	39,569,488
Treatment plant	14,818,095	-	(938)	14,817,157
Equipment	2,081,467	15,579	(131,440)	1,965,606
Total capital assets, being depreciated	50,316,904	7,430,436	(291,432)	57,455,908
Less accumulated depreciation:	(11,416,006)	(986,429)	284,464	(12,117,971)
Total capital assets, being depreciated, net	38,900,898	6,444,007	(6,968)	45,337,937
Capital assets, net	$ 62,798,469	$ 17,349,561	$ (917,192)	$ 79,230,838

6. Long-Term Liabilities

Water Pollution Control Revolving Fund

In October 2010, the District entered into a loan agreement (the "Agreement") with the Colorado Water Resource and Power Development Authority ("CWR & PDA") for a principal amount of $10,410,000 plus a premium of $390,000 for total proceeds of $10,800,000. The loan accrues interest at 2.5% and is payable in semi-annual principal and interest payments beginning on February 1, 2012. The loan is secured by the net revenues of the District, as defined within the Agreement.

CWR & PDA refunded certain bonds in May 2021 to generate savings for their borrowers. The refunding savings for the District totaled $509,517 and will be applied as payment credits to the scheduled loan repayments. The principal reductions due to the refunding savings credits do not reduce the total loan payable until the period the credits are realized. In the periods where the refunding credit exceeds loan interest, the credit will be applied against loan interest first with any remaining credit applied to principal.

In May 2019, the District entered into a loan agreement (the "Agreement") with the Colorado Water Resource and Power Development Authority ("CWR & PDA") for a principal amount of $28,205,180 plus a premium of $794,820 for total proceeds of $29,000,000. The loan accrues interest at 1.9% and is payable in semi-annual principal and interest payments beginning on August 1, 2019. The loan is secured by the net revenues of the District, as defined within the Agreement. The total amount of unreceived loan proceeds is reflected on the Statements of Net Position as Loan Proceeds Receivable of $0 and $10,000 as of December 31, 2022 and 2021, respectively.

Significant events of default under the loans include (i) failure to pay within 30 days, (ii) failure to pay principal and interest on any bonds, notes or other obligations, (iii) failure to meet financial or custodial agreement covenants, (iv) any representation made that is false or misleading in any material respect and (v) a petition is filed for bankruptcy or insolvency.

Right-to-Use Lease Liability

The District entered into a lease agreement as lessee, which allows the right-to-use equipment over the term of the lease. The District is required to make monthly minimum lease payments totaling $2,253. The rate implicit in the lease was used to determine the lease discount rate.

The lease term is 60 months and matures 03/31/2026. The lease liability balance as of December 31, 2022 is $78,497. The weighted average remaining lease term is 3.25 years and the weighted average rate is 5.5733%

6. Long-Term Liabilities (continued)

The future principal and interest lease payments as of fiscal year end are as follows:

Year	Principal	Interest	Total
2023	$ 22,660	$ 3,680	$ 26,340
2024	23,956	2,384	26,340
2025	25,326	1,014	26,340
2026	6,554	30	6,585
Total	$ 78,496	$ 7,108	$ 85,605

A summary of changes in long-term liabilities for the year ended December 31, 2022 was as follows:

	Balance at December 31, 2021	Additions	Payments (Amortization)	Balance at December 31, 2022	Due Within One Year
Direct Borrowings					
2010 CWR & PDA Loan	$ 6,200,000	$ -	$ 515,000	$ 5,685,000	$ 520,000
Unamortized premium	140,890	-	17,646	123,244	-
2019 CWR & PDA Loan	26,592,300	-	764,620	25,827,681	785,585
Unamortized premium	689,777	-	43,475	646,301	-
Total long-term debt	33,622,967	-	1,340,741	32,282,226	1,305,585
Other					
Right-to-use lease liability	-	99,932	21,436	78,496	22,660
Accrued compensated absences	124,257	92,073	68,129	148,201	74,101
	$ 33,747,224	$ 192,005	$ 1,430,306	$ 32,508,923	$ 1,402,346

6. Long-Term Liabilities (continued)

A summary of changes in long-term liabilities for the year ended December 31, 2021 was as follows:

	Balance at December 31, 2020	Additions	Payments (Amortization)	Balance at December 31, 2021	Due Within One Year
Direct Borrowings					
2010 CWR & PDA Loan	$ 6,705,000	$ -	$ 505,000	$ 6,200,000	$ 515,000
Unamortized premium	159,666	-	18,776	140,890	-
2019 CWR & PDA Loan	27,339,145	-	746,844	26,592,300	764,620
Unamortized premium	734,779	-	45,003	689,777	-
Total long-term debt	34,938,590	-	1,315,623	33,622,967	1,279,620
Other					
Accrued compensated absences	117,186	14,142	7,071	124,257	62,128
	$ 35,055,776	$ 14,142	$ 1,322,694	$ 33,747,224	$ 1,341,748

Loan requirements to maturity are as follows:

Year ending December 31,	Principal	Interest	Administrative Fee	Total
2023	$ 1,305,585	$ 340,292	$ 308,921	$ 1,954,799
2024	1,328,409	351,281	308,921	1,988,611
2025	1,356,038	327,039	308,921	1,991,998
2026	1,383,238	298,678	308,921	1,990,837
2027	1,407,918	270,796	308,921	1,987,635
2028-2032	7,551,384	963,800	1,467,033	9,982,217
2033-2037	4,854,912	508,702	1,128,205	6,491,819
2038-2042	5,177,757	313,049	1,001,284	6,492,090
2043-2047	5,870,254	144,150	479,488	6,493,892
2048	1,277,186	7,500	14,103	1,298,789
	$ 31,512,681	$ 3,525,286	$ 5,634,720	$ 40,672,686

The District is not in default with its covenants and obligations under these loans and leases. The District maintained operation and maintenance reserve funds totaling $835,727 and has established rates and charges for its services and products in accordance with the covenants of these loans.

7. Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors and omissions, or natural disasters. The District maintains commercial insurance coverage to mitigate these risks of loss. Settled claims have not exceeded this commercial insurance coverage in any of the past three years.

8. Retirement Plans

Public Employees' Retirement Association of Colorado

Plan Description

Eligible employees of the District are provided with pensions through the Local Government Division Trust Fund, a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided as of December 31, 2021

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of

8. Retirement Plans (continued)

employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions provisions as of December 31, 2022

Eligible employees of the District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Employee contribution rates for the period of 01/01/2021, through 12/31/2022 are summarized in the table below:

8. Retirement Plans (continued)

	January 1, 2021 Through June 30, 2021	July 1, 2021 Through December 31, 2021	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employee contribution (all employees other than State Troopers)	8.50%	8.50%	8.50%	9.00%

**Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

The employer contribution requirements for all employees other than State Troopers are summarized in the table below:

	January 1, 2021 Through June 30, 2021	July 1, 2021 Through December 31, 2021	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employer contribution rate	10.50%	10.50%	10.50%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.48%	9.48%	9.48%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.02%	0.02%	0.03%	0.03%
Total employer contribution rate to the LGDTF	**13.20%**	**13.20%**	**13.21%**	**13.71%**

**Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

8. Retirement Plans (continued)

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the District were $155,806 and $161,972 for the years ended December 31, 2022 and 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022 and 2021, the District reported a net pension (asset)/liability of ($141,519) and $894,705 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the total pension liability to December 31, 2021. The District's proportion of the net pension liability (asset) was based on District contributions to the LGDTF for the calendar year 2021 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2021, the District’s proportion was 0.16506 percent, which was a decrease of .00663 percent from its proportion measured as of December 31, 2020. At December 31, 2020, the District’s proportion was 0.17169 percent, which was an increase of .00124 percent from its proportion measured as of December 31, 2019.

For the years ended December 31, 2022 and 2021, the District recognized pension (income) of $(398,735) and $(10,530), respectively.

At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,916	$ 2,363
Differences between expected and actual experience	47,972	
Net difference between projected and actual earnings on pension plan investments	-	1,224,165
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	
District contributions subsequent to the measurement date	155,806	32,648
Total	$ 210,694	$ 1,259,176

8. Retirement Plans (continued)

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 43,258	$ -
Changes of assumptions or other inputs	216,215	-
Net difference between projected and actual earnings on pension plan investments	-	967,573
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	20,671
District contributions subsequent to the measurement date	161,972	-
	$ 421,445	$ 988,244

The $155,806 and $161,972, as of December 31, 2022 and 2021, respectively, reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022 and 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	Amortization
2023	$ (289,407)
2024	(470,969)
2025	(295,364)
2026	(148,549)
	$ (1,204,290)

8. Retirement Plans (continued)

Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20%–11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06[1]	Financed by the AIR

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

8. Retirement Plans (continued)

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.

- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long- term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

8. Retirement Plans (continued)

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives[1]	6.00%	4.70%
Total	**100.00%**	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long- term expected nominal rate of return assumption of 7.25%.

Discount Rate

The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

8. Retirement Plans (continued)

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- The projected benefit payments reflect the lowered AI cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the LGDTF’s FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District’s proportionate share of the net pension liability (asset)	$970,336	$(141,519)	$(1,071,536)

8. Retirement Plans (continued)

Pension Plan Fiduciary Net Position

Detailed information about the LGDTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

9. Other Post-Employment Benefits

Plan Description

Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 *et seq*. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

9. Other Post-Employment Benefits (Continued)

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions

Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School,

Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were $11,440 and $12,796 for the years ended December 31, 2022 and 2021, respectively.

9. Other Post-Employment Benefits (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2022 and 2021, the District reported a liability of $110,259 and $124,564, respectively, for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

For the years ended December 31, 2022 and 2021 the District recognized OPEB expense of $6,242 and $9,888, respectively.

At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 167	$ 26,144
Changes in assumptions or other inputs	2,283	5,981
Net difference between projected and actual earnings on OPEB plan investments	-	6,825
Changes in proportionate share	-	5,402
District contributions subsequent to the measurement date	11,440	-
Total	$ 13,890	$ 44,351

The $11,440 reported as outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022.

9. Other Post-Employment Benefits (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31,	Amortization
2022	$ (8,932)
2023	(10,143)
2024	(15,173)
2025	(5,778)
2026	(1,620)
Thereafter	(256)
	$ (41,901)

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 331	$ 27,385
Changes in assumptions or other inputs	931	7,638
Net difference between projected and actual earnings on OPEB plan investments	-	5,090
Changes in proportionate share	4,701	-
District contributions subsequent to the measurement date	12,795	-
Total	$ 18,758	$ 40,113

9. Other Post-Employment Benefits (continued)

Actuarial Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 %
Real wage growth	0.70 %
Wage inflation	3.0%
Salary increases, including wage inflation	3.50% in aggregate
Long-term investment rate of return, net of pension plan plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 %
PERACare Medicare plans	6.00% in 2022, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.75% in 2021, gradually increasing to 4.50% in 2029

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2020, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2021 for the PERA Benefit Structure:

	Initial Costs for Members without Medicare Part A		
Medicare Plan	**Monthly Cost**	**Monthly Premium**	**Monthly Cost Adjusted to**
Medicare Advantage/Self-Insured Rx	$633	$230	$591
KaiserPermanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is $471 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

9. Other Post-Employment Benefits (continued)

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACARE Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2020, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

9. Other Post-Employment Benefits (continued)

Post-retirement non-disabled mortality assumptions for the State and Local Government provisions (members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.

- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the Trust Fund:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.

- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

9. Other Post-Employment Benefits (continued)

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives[1]	6.00%	4.70%
Total	**100.00%**	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

9. Other Post-Employment Benefits (continued)

Sensitivity of the District 's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates		**Current Trend Rates**	**1% Increase in Trend Rates**
Initial PERACare Medicare trend rate	3.50%	4.50%	5.50%	3.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%	3.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%	2.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%	3.50%
Net OPEB Liability	$ 107,093		$ 110,259	$ 113,927

Discount Rate

The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

9. Other Post-Employment Benefits (continued)

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District 's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the net OPEB Liability	$ 128,054	$ 110,259	$ 95,059

OPEB plan fiduciary net position.

Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

10. Voluntary Investment Program

Plan Description

Employees of the District that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the Voluntary Investment Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the CRS as amended. In addition, the District has agreed to match employee contributions up to 3 percent of covered salary as determined by the Internal Revenue Service.

Employees are immediately vested in their own contributions, employer contributions and investment earnings. The District did not make a contribution on behalf of eligible members during the years ended December 31, 2022 and 2021.

11. Deferred Compensation Plan

Plan Description

The District currently offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 administered by PERA. Participation in the plan is voluntary for all employees and contributions are separate from those that PERA members make to their Defined Benefit member accounts. Information on the 457 plan may be obtained online at www.copera.org or by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado 80203, or by calling PERA at 393-832-9550 or 1-800-759- PERA(7372).

Funding Policy

The plan allows employees to defer a portion of their salary until future years. All amounts deferred are held in trust for the exclusive benefit of participating employees. For the years ended December 31, 2022 and 2021, the District contributed $9,942 and $2,217, respectively, to the plan.

12. TABOR

In November 1992, Colorado voters passed an amendment (the "Amendment" or "TABOR") to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending, as defined by the Amendment, excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The Amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the entity under specified voting requirements by the entire electorate.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes they are exempt from the provisions of the bill.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate fiscal year spending limits and qualification as an enterprise, will require judicial interpretation.

13. Commitments and Contingencies

The District was subject to various claims and legal proceedings arising in the ordinary course of business. The District believes that adequate insurance coverage exists in situations where monetary damages are claimed and that the final settlements of these matters will not materially affect the financial statements of the District.

14. Related Party Transactions

On January 16, 2008, the District entered into an agreement with North Timnath Properties, LLC ("NTP"), partially owned by a current director of the Board. NTP had constructed a pipeline and the District agreed to pay NTP $868 per tap on this pipeline until the construction of the pipeline is paid back. During the years ended December 31, 2022 and 2021, the District paid $47,740 and $190,960, respectively, directly to the director of the Board. There was $3,472 and $33,852 payable to the director of the Board at December 31, 2022 and 2021, respectively, which is included in current liabilities in the accompanying statements of net position.

15. Subsequent Events

The District has evaluated subsequent events through June 15, 2023, the date that the financial statements were available to be issued. There were no material subsequent events to be recognized or disclosed.

Required Supplementary Information

Boxelder Sanitation District

Retirement Plan Supplementary Information

For the Year Ended December 31, 2022

Schedule of Proportionate Share of the Net Pension and OPEB Liability and Related Ratios

Colorado PERA - Pension

Year Ending*	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Actual Member Payroll	Net Pension Liability as a Percentage of Member Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2014	0.10705%	$ 800,118	$ 587,398	136.21%	77.66%
12/31/2015	0.11587%	1,038,533	637,542	162.90%	80.70%
12/31/2016	0.13712%	1,510,495	800,562	188.68%	76.90%
12/31/2017	0.13518%	1,825,393	819,361	222.78%	73.60%
12/31/2018	0.16257%	1,810,357	1,025,579	176.52%	79.40%
12/31/2019	0.19516%	2,453,543	1,280,026	191.68%	75.96%
12/31/2020	0.17044%	1,246,288	1,170,670	106.46%	86.26%
12/31/2021	0.17168%	894,705	1,209,336	73.98%	90.88%
12/31/2022	0.16506%	(141,519)	1,221,785	-11.58%	101.49%

Colorado PERA - OPEB

Year Ending*	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Actual Member Payroll	OPEB Liability as a Percentage of Member Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2017	0.01038%	$ 124,079	$ 819,361	15.14%	16.72%
12/31/2018	0.01263%	164,174	1,025,579	16.01%	17.53%
12/31/2019	0.01513%	205,911	1,280,026	16.09%	17.03%
12/31/2020	0.01305%	146,728	1,170,670	12.53%	24.49%
12/31/2021	0.01310%	124,564	1,209,336	10.30%	32.78%
12/31/2022	0.01279%	110,259	1,221,785	9.02%	39.40%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

* *The data provided in this schedule is based as of the measurement date of the District's net pension liability, which is as of the beginning of the year.*

Schedule of Employer Contributions

Year Ending	Statutorily Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Member Payroll	Contributions as a Percentage of Covered Payroll
12/31/2013	$ 72,417	$ 72,417	-	$ 587,398	12.33%
12/31/2014	80,506	80,506	-	637,542	12.63%
12/31/2015	98,452	98,452	-	800,562	12.30%
12/31/2016	103,895	103,895	-	819,361	12.68%
12/31/2017	130,044	130,044	-	1,025,579	12.68%
12/31/2018	162,433	162,433	-	1,280,026	12.69%
12/31/2019	148,221	148,221	-	1,170,670	12.66%
12/31/2020	156,495	156,495	-	1,209,336	12.94%
12/31/2021	161,972	161,972	-	1,221,785	13.26%
12/31/2022	151,806	151,806	-	1,121,596	13.53%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Supplementary Information

Boxelder Sanitation District
Schedule of Revenues, Expenses and Changes in Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2022

	Original and Final Budgeted Amounts	2022 Actual	Variance with Final Budget Positive (Negative)	2021 Actual
Revenues				
Sewer charges and other services	$ 4,248,900	$ 5,107,406	$ 858,506	$ 4,859,166
Growth revenue	833,853	182,971	(650,882)	79,746
Rehabilitation revenue	-	-	-	-
Other revenue	96,000	41,198	(54,802)	41,296
Total revenues	5,178,753	5,331,575	152,822	4,980,208
Expenditures				
Collection and transmission	103,126	91,691	11,435	81,676
Sewage treatment	594,940	608,570	(13,630)	459,248
Pretreatment	52,000	20,347	31,653	18,263
General and administrative	675,020	564,996	110,024	552,902
Personnel related costs	1,917,824	1,133,839	783,985	1,518,199
Total expenditures	3,342,910	2,419,443	923,467	2,630,288
Operating Income (Loss)	1,835,843	2,912,132	1,076,289	2,349,920
Nonoperating Revenues (Expenses)				
Net investment income	10,800	479,180	468,380	13,011
Proceeds from loan receivable	-	10,001	10,001	10,717,371
System development charges	3,591,996	1,608,000	(1,983,996)	6,750,000
Debt service:				
Principal paid	(1,279,620)	(1,279,620)	-	(1,251,844)
Interest expense	(666,004)	(594,373)	71,631	(622,484)
Capital outlay	(3,333,920)	(853,636)	2,480,284	(10,947,849)
Total Nonoperating Revenues (Expenses)	(1,676,748)	(630,448)	1,046,300	4,658,205
Change in Net Position	159,095	2,281,684	2,122,589	7,008,125
Net Position—Beginning of Year	32,649,173	77,346,762	44,697,589	63,371,794
Net Position—End of Year	$ 32,808,268	$ 79,628,446	$ 46,820,178	$ 70,379,919
Reconciliation to GAAP-Basis Financial Statements				
Depreciation		(1,501,585)		(986,429)
Amortization		(23,513)		-
Capital outlay		853,636		10,947,849
Gain (loss) on disposal of assets		-		(6,967)
Loan proceeds		(10,001)		(10,717,371)
Principal paid		1,279,620		1,251,844
Contributed capital assets		2,349,494		6,477,917
Net Position—End of Year (GAAP-Basis)		$ 82,576,097		$ 77,346,762