

# LAW OFFICE OF MICHAEL E. DAVIS, LLC

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April 15, 2023

Elbert County Clerk & Recorder  
P.O. Box 37  
Kiowa, CO 80117  
Rhonda.Braun@elbertcounty-co.gov

Division of Local Government  
Department of Local Affairs  
1313 Sherman Street, Room 521  
Denver, CO 80203

Office of the State Auditor  
Local Government Audit Division  
1525 Sherman Street, 7<sup>th</sup> Floor  
Denver, CO 80203

**RE: 2023 Annual Report**

To Whom It May Concern:

Enclosed for your records is the annual report for 2023 for the below captioned District. Please contact me with any questions or concerns. Thank you.

United Water & Sanitation District

LAW OFFICE OF MICHAEL E. DAVIS, LLC  
*Marisa Davis, Senior Paralegal*

Enclosures

**UNITED WATER & SANITATION DISTRICT  
ELBERT COUNTY, COLORADO**

**ANNUAL REPORT FOR FISCAL YEAR 2023**

Pursuant to the Service Plan of United Water & Sanitation District (the “District”), the District is required to provide an annual report to Elbert County (the “County”) with regard to the following matters:

- a. Boundary changes made or proposed;
- b. Intergovernmental Agreements entered into or proposed;
- c. Changes or proposed changes in the District’s policies;
- d. Changes or proposed changes in the District’s operations;
- e. Any changes in the financial status of the District, including revenue projection or operating costs;
- f. A summary of any litigation involving the District;
- g. Proposed plans for the year immediately following the year summarized in the annual report;
- h. Status of construction of public improvements;
- i. The current assessed valuation in the District;
- j. Nature of services or improvements that the District provides, including potable water or sewer services;
- k. Access information to obtain a copy of the rules and regulations adopted by the Board;
- l. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality;
- m. A copy of the current year’s budget;
- n. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable;
- o. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district; and

- p. Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

**For the year ending December 31, 2023, the District makes the following report:**

- a. Boundary changes of the District.

There were no boundary changes made or proposed during the reporting period.

- b. Intergovernmental Agreements entered into or proposed.

The District did not enter into, or terminate any IGAs in 2023. The District entered into an intergovernmental agreement with South Beebe Draw Metropolitan District (“South Beebe”) effective 1/1/24 for the purpose of funding regional water and sanitation improvements.

- c. Changes or proposed changes in the District’s policies.

No changes or proposed changes in the District’s Policies occurred during the reporting period.

- d. Changes or proposed changes in the District’s operations.

No proposed changes to the District’s operations are anticipated at this time.

- e. Any changes in the financial status of the District, including revenue projection or operating costs.

A copy of the District’s 2024 budget is attached hereto as **Exhibit A**. This budget shows the District’s actual year-end financial status for 2022, the projected status for the year ending December 31, 2023, and the budget for 2024.

- f. A summary of any litigation involving the District.

Under Colorado law, any change of water rights is adjudicated through a specialized District Water Court. Such water rights cases are not traditional civil actions in that no damages or any other civil judgments may be entered by the District Water Court. Therefore, these court actions cannot result in any monetary judgment or other civil judgment other than the adjudication of the change of water rights requested. In addition, statements of opposition in various applications filed by other parties seeking changes of water rights and usage are of the same nature as the District’s applications, but from the inverse side. At issue in those cases are the terms and conditions that will be imposed on the changes of water rights sought by other parties. In Colorado, participation in water court applications is considered to be standard business proceedings. During the reporting period the District continued to develop its water supply system, and was both an active applicant and an objector in various water rights cases as described above.

- g. Proposed plans for the year immediately following the year summarized in the annual report.

Proposed plans for 2024 include, without limitation, water acquisition, and the construction, operation and maintenance of facilities and various capital projects funded by various Water Activity Enterprises and/or South Beebe as shown in the budget attached hereto as **Exhibit A**. Such plans include the following projects, among others:

- East Cherry Creek capital construction projects
- United Water Activity Enterprise - water acquisition
- ACWWA project operations and maintenance
- Serfer Pit project operations and maintenance
- Highlands Reservoir project capital construction and engineering
- Various regional flood control projects
- Various regional recharge facilities

- h. Status of construction of public improvements.

The District's construction of water storage facilities and water carriage systems and structures is ongoing.

- i. The current assessed valuation in the District.

The current assessed valuation of the District \$1,400.

- j. Nature of services or improvements that the District provides, including potable water or sewer services.

The District provides for the construction, operation and maintenance of regional water and storm drainage facilities and infrastructure. The District provides water to various special districts and municipalities throughout the State and serves as a wholesaler of water. The District has no residents and does not provide any services directly to individuals.

- k. Access information to obtain a copy of the rules and regulations adopted by the Board.

The District has not adopted any rules or regulations.

- l. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.

No facilities or improvements were dedicated to the County during 2023.

- m. A copy of the current year's budget.

A copy of the current year's budget is attached hereto as **Exhibit A**.

- n. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

The final 2023 audited financial statements are not presently available and will be provided when they become available.

- o. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district.

The District does not have any uncured defaults existing for more than ninety days under any debt instrument of the special district.

- p. Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

The District does not have any inability to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

**EXHIBIT A**

2024 Budget Resolution is available by clicking this [link](#).