

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: April 14, 2010

Board Item VI-B-1

2009 AUDITED FINANCIAL STATEMENTS

Action by Consent

Action

Information

Attached are the Audited Financial Statements for Denver Water. The Board's external auditor BKD LLP will be in attendance at the Board meeting to provide the Board with a report of their findings.

In May, BKD will provide the Audited Financial Statements for the Defined Benefit (Retirement Plan), Defined Contribution (401k Plan) and the Deferred Compensation (457 plan).

BKD's Audit resulted in an unqualified (clean) opinion for the Board of Water Commissioners 2008 financial statements. The audit was conducted in accordance with generally accepted auditing standards and the standards contained in *Government Auditing Standards*.

The audit document contains financial statements and associated notes. Financial highlights are presented in the Management's Discussion and Analysis (MD&A) located at the front of the document.

Also attached is the External Auditor's (BKD) post audit and management letter which includes our response to their comments.

Following is a limited selection of the audited statement information.

Denver Water 2009 Financial Statements

1. **2009 Operating Revenue** (from water sales) \$184 million; a decrease of \$22 million (10%) from 2008.
2. **2009 Loss Before Capital Contributions** (i.e. "Net Loss") \$22 million; a decrease of \$54 million (169%) from 2008.
3. **2009 Net Assets** (total assets less liabilities) \$1.55 billion; an increase of \$40 million (3%) over 2008.

Recommendation:

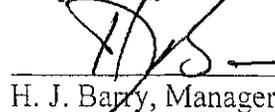
Approvals:



David LaFrance

Director of Finance

Respectfully submitted,


H. J. Barry, Manager

8/31/09

Revised by Legal 8/31/2009