

PLATTE CANYON WATER AND SANITATION DISTRICT
Arapahoe and Jefferson Counties, Colorado

FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

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Independent Auditor's Report

Board of Directors
Platte Canyon Water and Sanitation District
Arapahoe and Jefferson Counties, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Platte Canyon Water and Sanitation District (District) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of Platte Canyon Water and Sanitation District, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the Special Revenue Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 7 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Prior-Year Comparative Information

We have previously audited the District's 2018 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, and each major fund in our report dated March 22, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended

December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The other information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
March 27, 2020

**PLATTE CANYON WATER AND SANITATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

This discussion and analysis is designed to provide an analysis of the District's financial condition and operating results and to inform the reader on the District's financial issues and activities.

The Management's Discussion and Analysis (MD&A) should be read in conjunction with the District's financial statements.

FINANCIAL HIGHLIGHTS

- The District remains in strong financial position with assets exceeding liabilities and deferred inflows of resources at the close of 2019 by \$20,961,761. Of this amount, \$8,809,916 or 42.0% is unrestricted and may be used to meet the District's ongoing obligations to citizens.
- Due to the application of a comprehensive water main conditional assessment program, a significant number of capital water mains have been identified for replacement. During 2019 the District completed four major water capital projects amounting to \$1,400,419.
- Total net position increased \$648,510 or 3.2%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the Platte Canyon Water and Sanitation District's basic financial statements. The District's basic financial statements comprise three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information and other information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Platte Canyon Water and Sanitation District's finances, in a manner similar to private-sector business.

The *Statement of Net Position* presents information on all of the District's assets and liabilities, deferred inflows of resources and net position. Over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Changes in Net Position* presents information which reflects how the District's net position changed during the past year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through taxes and contract services (*Business-type Activities*). The Governmental Activities of the District include the financing and construction of certain water and sewer system improvements of the blended component units. The Business-type Activities of the District include the effective and economical operation of water and sewer systems.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by state law and bond covenants. All of the District funds can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental Funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheets and the governmental funds statement of revenue, expenditures, and changes in funds balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains two individual governmental funds, both of which are considered major funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenue, expenditures and changes in fund balances.

Proprietary Funds – When the District charges entities for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Changes in Net Position. In fact, the District's enterprise fund (a component of proprietary funds) is the same as the business-type activities reported in the government-wide statements, but provides more detail and additional information, such as a cash flow statement.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$20,961,761 at the close of 2019. Current assets decreased by 1.4% or \$166,960 from 2018 to 2019. Cash and cash equivalents and investments decreased by \$434,791, primarily due to the required funding of significant capital water replacements. This funding explains the increase in capital assets by \$1,048,670 or 9.6% from 2018 to 2019. The increase in property taxes receivable and the corresponding deferred property tax revenue of \$200,500 is due to the increase in assessed values of 12.8%.

Net Position

Combined Net Position of the Platte Canyon Water and Sanitation District at December 31, 2019 and 2018 were:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current assets and other assets	\$ 116,163	\$ 110,472	\$ 11,728,550	\$ 11,901,201	\$ 11,844,713	\$ 12,011,673
Capital assets	-	-	11,981,765	10,933,095	11,981,765	10,933,095
Total assets	116,163	110,472	23,710,315	22,834,296	23,826,478	22,944,768
Long-term obligations	353,415	397,084	369,324	344,088	722,739	741,172
Other liabilities	46,252	44,771	190,226	140,574	236,478	185,345
Total Liabilities	399,667	441,855	559,550	484,662	959,217	926,517
Deferred property tax revenue	57,500	57,500	1,848,000	1,647,500	1,905,500	1,705,000
Total deferred inflows of resources	57,500	57,500	1,848,000	1,628,500	1,905,500	1,705,000
Net Position:						
Investment in capital assets	-	-	11,981,765	10,933,095	11,981,765	10,933,095
Restricted	56,080	50,328	114,000	99,600	170,080	149,928
Unrestricted	(397,084)	(439,211)	9,207,000	9,669,439	8,809,916	9,230,228
Total net position	\$ (341,004)	\$ (388,883)	\$ 21,302,765	\$ 20,702,134	\$ 20,961,761	\$ 20,313,251

A significant portion (57.2%) of the District's net position reflects its investment in capital assets (e.g. land, water and sewer systems, equipment, etc.). The District uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Unrestricted net position may be used to meet the District's ongoing obligations to maintain the water and sewer systems within the jurisdictional boundaries. Unrestricted net position makes up 42.0% of total net position.

Platte Canyon Water and Sanitation District Subdistrict No. 1 (Subdistrict No.1) and Platte Canyon Water and Sanitation District Subdistrict No. 2 (Subdistrict No. 2) financed the construction of water distribution system improvements which were conveyed to the District when completed. The related outstanding debt will be repaid with tax levies on property located within each

Subdistrict. Negative net position will be reported for the Governmental Activities until the long-term debt obligation is satisfied. The District is not obligated to repay the debt in any way. Additional information regarding the Subdistricts may be found in Note 1 (Blended Component Units) of this report.

Changes in Net Position

The District's program and general revenue of \$3,861,896 is more than program expenses of \$3,213,386 by \$648,510. This increase is more favorable than the increase in net position in 2018 of \$179,505 due to the increase in overall revenues.

The table below shows the summarized revenue and expenses for 2019 and 2018.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Program revenue:						
Charges for services	\$ -	\$ -	\$ 1,559,393	\$ 1,365,434	\$ 1,559,393	\$ 1,365,434
Capital contributions	-	-	174,102	14,592	174,102	14,592
General revenue:						
Property taxes	57,610	57,610	1,645,849	1,612,744	1,703,459	1,670,354
Specific ownership tax	4,908	5,336	137,991	144,034	142,899	149,370
Net investment income	1,648	1,437	280,395	182,757	282,043	184,194
Total revenue	64,166	64,383	3,797,730	3,319,561	3,861,896	3,383,944
Program expenses:						
General government	865	866	-	-	865	866
Interest on long-term debt	15,422	16,725	-	-	15,422	16,725
Water operations	-	-	1,150,013	1,331,282	1,150,013	1,331,282
Sewer operations	-	-	653,189	604,460	653,189	604,460
Contract services	-	-	1,393,897	1,251,106	1,393,897	1,251,106
Total program expenses	16,287	17,591	3,197,099	3,186,848	3,213,386	3,204,439
Increase (decrease) in net position	47,879	46,792	600,631	132,713	648,510	179,505
Net Position-Beginning of Year	(388,883)	(435,675)	20,702,134	20,569,421	20,313,251	20,133,746
Net Position-End of Year	\$ (341,004)	\$ (388,883)	\$ 21,302,765	\$ 20,702,134	\$ 20,961,761	\$ 20,313,251

Governmental Activities

Property taxes were levied to satisfy the required annual debt payments on long-term obligations (see Note 5).

Business-type Activities

Business-type activities reflect an increase in Net Position of \$600,631 in 2019 compared to a \$132,713 increase in 2018.

- Total revenue increased by \$478,169 or 14.4%. Charges for services increased \$193,959. This increase is the result of more maintenance and administration services being provided to contract Districts during 2019 (see Note 9). Additionally, an infrastructure fee of \$5.00 per month per ¾" equivalent service connection was imposed for the last three months of the year and amounted to \$92,047. Grant Water and Sanitation District's share in the rehabilitation of a sewer collection main amounted to a capital reimbursement of \$174,102 compared to the reimbursement of \$8,592 in 2018. Net investment income increased \$97,638 attributable to the increase in market yields as well as a positive fair value adjustment on the District's investment holdings at December 31, 2019.
- Total program expenses increased by \$10,251 or .3% from 2018 to 2019. The impact of water system failures requiring emergency repair by contractors was not as significant during 2019. The percentage of hours devoted to contract services increased from 57.6% in 2018 to 61.0% in 2019, resulting in a shift of costs being allocated to contract services.

THE DISTRICT'S FUNDS

As noted earlier, Platte Canyon Water and Sanitation District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The Governmental Funds are accounted for using the modified accrual basis of accounting. As the District completed the year, its Governmental Funds reported a combined fund balance of \$58,663. This amount is comprised of accumulated net property taxes and specific ownership taxes and is restricted for the payment of the outstanding loans.

The budgets for the special revenue funds are prepared on a basis consistent with generally accepted accounting principles (GAAP).

Proprietary Fund

Unrestricted net position for the District's enterprise fund at the end of 2019 amounted to \$9,207,000 compared to \$9,669,439 in 2018.

BUDGETARY HIGHLIGHTS

The District prepares its Enterprise Fund budget on a non-GAAP budgetary basis of accounting to recognize the fiscal impact of sale of assets, capital outlay, in addition to operations and nonoperating revenues and contributions. Capital contributions of facilities and depreciation are not reflected on the budget as they do not affect "funds available". This budgetary accounting is required by state statutes.

The District's actual revenues exceeded budgeted revenues by \$452,242. As mentioned above, the District received a capital reimbursement from Grant Water and Sanitation District for the rehabilitation of a sewer collection main in the amount of \$170,102 in accordance with a cost sharing agreement. This reimbursement was not budgeted. Actual net investment income was \$280,395, \$105,175 more than the budget amount of \$175,220. The increase is due to a positive fair value adjustment of \$71,094 and the average yield on investment during 2019 was 2.2% compared to the projected yield of 1.85%. Due to the results of a comprehensive analysis of the

condition of the District's water mains the Board determined it was necessary to begin imposing an infrastructure service fee during 2019 which amounted to \$92,047.

Total budgeted expenditures exceeded total actual expenditures by \$206,422. In addition to budgeting for emergency reserve, the District budgeted an additional 10% of the projected water and sewer capital expenses to cover unanticipated increases in construction costs. The percentage applied fluctuates from year to year depending on the predictability of the construction industry. The amount budgeted for contingencies and emergency reserves was \$256,030. The actual costs for the water distribution replacement projects exceeded the budget amount by \$206,439 whereas, the actual costs of the sewage collection system project were \$135,228 less than the amount budgeted.

A positive budget variance for operations and administration resulted in the amount of \$31,772. There was a high occurrence of emergency water main breaks during 2019 resulting in a negative budget variance of \$32,218 in water operations and maintenance. Actual expenditures for sewer operations and maintenance were \$33,877 less than the amount budgeted. This difference is due to no emergency sewer main break repairs and fewer remedial repairs required during 2019. The positive budget variance of \$37,625 in professional and consulting is due to the determination that the planned upgrade to the maintenance database and GIS software systems was not needed. Personnel wages of \$1,293,003 exceeded the budget amount by \$31,203 due to the increase in sick leave accruals required at December 31, 2019.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The table below provides a summary of total capital assets, net of depreciation where applicable at December 31, 2019 and 2018.

	Business-Type Activities	
	2019	2018
Land	\$ 40,200	\$ 40,200
Construction in progress	66,506	2,761
Total non-depreciable assets	106,706	42,961
Water distribution system	7,869,927	6,802,863
Sewage collection system	3,277,882	3,265,046
Maintenance equipment	691,694	771,847
Office equipment	35,556	50,378
Total depreciable assets	11,875,059	10,890,134
Total capital assets	<u>\$ 11,981,765</u>	<u>\$ 10,933,095</u>

The District completed four major water capital projects replacing 732 feet of 6-inch cast iron pipe and 4,632 feet of 8-inch cast iron pipe amounting to \$1,400,419. Additionally, the District completed one sewer capital project replacing 293 feet of 16-inch polyethylene pipe amounting to

\$177,190. Of this amount, Grant Water and Sanitation contributed \$170,102 to the District in accordance with a cost sharing agreement.

Additional information on the District's capital assets can be found in Note 4 of this report.

Debt

Subdistrict No. 1 and Subdistrict No. 2 have loans outstanding at December 31, 2019. During 2019, principal and interest payments on the loans were made as required. Detail of the long-term debt obligations are presented in Note 5.

Economic Factors and Next Year's Budget

- Property and specific ownership taxes for general operating purposes were budgeted in the amount of \$1,986,281, which represents 49.5% of total District budgeted revenue.
- Revenue from contract services is expected to be \$1,474,760.
- The imposition of an infrastructure fee of \$5.00 per month per ¾" equivalent service connection is projected to generate revenue of \$352,920.
- The average yield on investments is projected to be 2.0% resulting in estimated investment income of approximately \$184,710.
- The budgets for operating expenditures and capital expenditures are \$2,854,770 and \$2,006,968, respectively.
- Five capital water projects involving the replacement of 4,788 feet of cast iron pipe with PVC pipe amounts to \$1,226,965, 61.1% of the total capital expenditure budget.
- Total expenditures for 2020 are projected to exceed revenue by \$846,487 which will be funded by the District's current funds available.
- The Subdistrict No. 1 levied a property tax assessment in the amount of \$28,525, which is budgeted to satisfy its annual debt requirements.
- The Subdistrict No. 2 levied a property tax assessment in the amount of \$29,085, which is budgeted to satisfy its annual debt requirements.

Requests for Information

This report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Financial Administrator, Platte Canyon Water and Sanitation District, 8739 W. Coal Mine Ave., Littleton, Colorado 80123.

BASIC FINANCIAL STATEMENTS

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF NET POSITION
December 31, 2019

(with comparative totals for December 31, 2018)

	Governmental Activities	Business-type Activities	Total	
			2019	2018
ASSETS				
Cash and cash equivalents	\$ 58,239	\$ 3,744,222	\$ 3,802,461	\$ 4,075,897
Investments	-	5,492,235	5,492,235	5,653,590
Receivable from County Treasurers	424	11,852	12,276	13,530
Accounts receivable	-	202,673	202,673	126,285
Accrued interest receivable	-	24,767	24,767	17,220
Property taxes receivable	57,500	1,848,000	1,905,500	1,705,000
Prepaid expenses	-	85,552	85,552	85,442
Prepaid lease, current portion	-	15,460	15,460	15,460
Prepaid lease, long-term portion	-	303,789	303,789	319,249
Land	-	40,200	40,200	40,200
Construction in progress	-	66,506	66,506	2,761
Capital assets, (net of accumulated depreciation):				
Water distribution system	-	7,869,927	7,869,927	6,802,863
Sewage collection system	-	3,277,882	3,277,882	3,265,046
Maintenance equipment	-	691,694	691,694	771,847
Office equipment	-	35,556	35,556	50,378
Total assets	<u>116,163</u>	<u>23,710,315</u>	<u>23,826,478</u>	<u>22,944,768</u>
LIABILITIES				
Accounts and retainage payable	-	66,881	66,881	40,038
Accrued salaries and benefits	-	71,754	71,754	64,566
Accrued interest payable	2,583	-	2,583	2,644
Deposits from developers	-	11,877	11,877	-
Long-term obligations, due within one year	43,669	39,714	83,383	78,097
Long-term obligations, due in more than one year	353,415	369,324	722,739	741,172
Total liabilities	<u>399,667</u>	<u>559,550</u>	<u>959,217</u>	<u>926,517</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	57,500	1,848,000	1,905,500	1,705,000
Total deferred inflows of resources	<u>57,500</u>	<u>1,848,000</u>	<u>1,905,500</u>	<u>1,705,000</u>
NET POSITION				
Investment in capital assets	-	11,981,765	11,981,765	10,933,095
Restricted for debt service	56,080	-	56,080	50,328
Restricted for Emergencies	-	114,000	114,000	99,600
Unrestricted	(397,084)	9,207,000	8,809,916	9,230,228
TOTAL NET POSITION	<u>\$ (341,004)</u>	<u>\$ 21,302,765</u>	<u>\$ 20,961,761</u>	<u>\$ 20,313,251</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF CHANGES IN NET POSITION
For the Year Ended December 31, 2019

(with comparative totals for December 31, 2018)

FUNCTIONS/PROGRAMS	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Position			
		Charges For Services	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
						2019	2018
Governmental Activities							
General government	\$ 865	\$ -	\$ -	\$ (865)	\$ -	\$ (865)	\$ (866)
Interest on long term obligations	15,422	-	-	(15,422)	-	(15,422)	(16,725)
Total Governmental Activities	16,287	-	-	(16,287)	-	(16,287)	(17,591)
Business-type Activities							
Water operations	1,150,013	-	-	-	(1,150,013)	(1,150,013)	(1,331,282)
Sewer operations	653,189	-	174,102	-	(479,087)	(479,087)	(589,868)
Contract services	1,393,897	1,559,393	-	-	165,496	165,496	114,328
Total Business-type Activities	3,197,099	1,559,393	174,102	-	(1,463,604)	(1,463,604)	(1,806,822)
Total Primary Government	\$ 3,213,386	\$ 1,559,393	\$ 174,102	(16,287)	(1,463,604)	(1,479,891)	(1,824,413)
GENERAL REVENUE							
Property tax revenue				57,610	1,645,849	1,703,459	1,670,354
Specific ownership tax				4,908	137,991	142,899	149,370
Net investment income				1,648	280,395	282,043	184,194
Total General Revenue				64,166	2,064,235	2,128,401	2,003,918
Change in Net Position				47,879	600,631	648,510	179,505
Net Position - Beginning of year				(388,883)	20,702,134	20,313,251	20,133,746
Net Position - End of year				\$ (341,004)	\$ 21,302,765	\$ 20,961,761	\$ 20,313,251

These financial statements should be read only in connection with the accompanying notes to financial statements.

PLATTE CANYON WATER AND SANITATION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019

	<u>Subdistrict No.1</u>	<u>Subdistrict No.2</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 31,598	\$ 26,641	\$ 58,239
Receivable from County Treasurer	214	210	424
Property taxes receivable	28,500	29,000	57,500
Total assets	<u>\$ 60,312</u>	<u>\$ 55,851</u>	<u>116,163</u>
DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	\$ 28,500	\$ 29,000	57,500
Total deferred inflows of resources	<u>28,500</u>	<u>29,000</u>	<u>57,500</u>
FUND BALANCES			
Restricted for debt service	31,812	26,851	58,663
Total fund balances	<u>31,812</u>	<u>26,851</u>	<u>58,663</u>
TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 60,312</u>	<u>\$ 55,851</u>	
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:			
Loans payable			(397,084)
Interest payable			<u>(2,583)</u>
Net Position of Governmental Activities			<u>\$ (341,004)</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2019

	<u>Subdistrict No.1</u>	<u>Subdistrict No.2</u>	<u>Total Governmental Funds</u>
REVENUE			
Property taxes	\$ 28,525	\$ 29,085	\$ 57,610
Specific ownership taxes	2,434	2,474	4,908
Net investment income	871	777	1,648
Total revenue	<u>31,830</u>	<u>32,336</u>	<u>64,166</u>
EXPENDITURES			
Debt service			
Principal	21,389	20,738	42,127
Interest	7,136	8,347	15,483
Treasurer fees	428	437	865
Total expenditures	<u>28,953</u>	<u>29,522</u>	<u>58,475</u>
NET CHANGE IN FUND BALANCES	2,877	2,814	5,691
FUND BALANCE - BEGINNING OF YEAR	<u>28,935</u>	<u>24,037</u>	<u>52,972</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 31,812</u></u>	<u><u>\$ 26,851</u></u>	<u><u>\$ 58,663</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**PLATTE CANYON WATER AND SANITATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF CHANGES IN NET POSITION
For the Year Ended December 31, 2019**

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 5,691
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Amounts reported for Governmental Activities in the Statement of Changes in Net Position are different because:

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Change in accrued interest payable	61
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The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position.

Principal payments on loans	<u>42,127</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 47,879</u>
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These financial statements should be read only in connection with the accompanying notes to financial statements.

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - SUBDISTRICT NO. 1
For the Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUE			
Property taxes	\$ 28,525	\$ 28,525	\$ -
Specific ownership taxes	2,139	2,434	295
Net investment income	570	871	301
Total revenue	<u>31,234</u>	<u>31,830</u>	<u>596</u>
EXPENDITURES			
Debt service			
Principal	21,389	21,389	-
Interest	7,136	7,136	-
Treasurer fees	430	428	2
Total expenditures	<u>28,955</u>	<u>28,953</u>	<u>2</u>
NET CHANGE IN FUND BALANCE	2,279	2,877	598
FUND BALANCE - BEGINNING OF YEAR	<u>28,665</u>	<u>28,935</u>	<u>270</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 30,944</u></u>	<u><u>\$ 31,812</u></u>	<u><u>\$ 868</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - SUBDISTRICT NO. 2
For the Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUE			
Property taxes	\$ 29,085	\$ 29,085	\$ -
Specific ownership taxes	2,181	2,474	293
Net investment income	465	777	312
Total revenue	<u>31,731</u>	<u>32,336</u>	<u>605</u>
EXPENDITURES			
Debt service			
Principal	20,738	20,738	-
Interest	8,347	8,347	-
Treasurer fees	440	437	3
Total expenditures	<u>29,525</u>	<u>29,522</u>	<u>3</u>
NET CHANGE IN FUND BALANCE	2,206	2,814	608
FUND BALANCE - BEGINNING OF YEAR	23,313	24,037	724
FUND BALANCE - END OF YEAR	<u><u>\$ 25,519</u></u>	<u><u>\$ 26,851</u></u>	<u><u>\$ 1,332</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF NET POSITION
ENTERPRISE FUND
December 31, 2019

(with comparative totals for December 31, 2018)

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,744,222	\$ 4,023,418
Investments	5,492,235	5,653,590
Receivable from County Treasurers	11,852	13,037
Accounts receivable	202,673	126,285
Accrued interest receivable	24,767	17,220
Property taxes receivable	1,848,000	1,647,500
Prepaid expenses	85,552	85,442
Current portion of prepaid lease	15,460	15,460
Total Current assets	<u>11,424,761</u>	<u>11,581,952</u>
Non-current assets		
Prepaid lease	303,789	319,249
Land	40,200	40,200
Construction in progress	66,506	2,761
Capital assets, net of depreciation:		
Water distribution system	7,869,927	6,802,863
Sewage collection system	3,277,882	3,265,046
Maintenance equipment	691,694	771,847
Office equipment	35,556	50,378
Total Noncurrent assets	<u>12,285,554</u>	<u>11,252,344</u>
TOTAL ASSETS	<u>23,710,315</u>	<u>22,834,296</u>
LIABILITIES		
Current liabilities		
Accounts payable	66,881	40,038
Accrued salaries and benefits	71,754	64,566
Deposits from developers	11,877	-
Long-term obligations, current portion	39,714	35,970
Total Current liabilities	<u>190,226</u>	<u>140,574</u>
Non-current liabilities		
Long-term obligations, non-current portion	369,324	344,088
TOTAL LIABILITIES	<u>559,550</u>	<u>484,662</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred property tax revenue	1,848,000	1,647,500
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,848,000</u>	<u>1,647,500</u>
NET POSITION		
Investment in capital assets	11,981,765	10,933,095
Restricted for emergencies	114,000	99,600
Unrestricted	9,207,000	9,669,439
TOTAL NET POSITION	<u>\$ 21,302,765</u>	<u>\$ 20,702,134</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
ENTERPRISE FUND
For the Year Ended December 31, 2019

(with comparative totals for December 31, 2018)

	<u>2019</u>	<u>2018</u>
OPERATING REVENUE		
Contract Services	\$ 1,449,182	\$ 1,356,579
Infrastructure fee	92,047	-
Other	18,164	8,855
Total operating revenue	<u>1,559,393</u>	<u>1,365,434</u>
OPERATING EXPENSES		
Water operations	741,056	862,051
Sewer operations	416,474	386,988
Contract services	1,393,897	1,250,470
General and administrative	619,690	662,523
Total operating expenses	<u>3,171,117</u>	<u>3,162,032</u>
(LOSS) FROM OPERATIONS	<u>(1,611,724)</u>	<u>(1,796,598)</u>
NONOPERATING REVENUE (EXPENSES)		
Property taxes	1,645,849	1,612,744
Specific ownership taxes	137,991	144,034
Net investment income	280,395	182,757
Loss on disposal of property and equipment	(1,272)	(636)
County Treasurer's collection fees	(24,710)	(24,180)
Total nonoperating revenue (expenses)	<u>2,038,253</u>	<u>1,914,719</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	<u>426,529</u>	<u>118,121</u>
CAPITAL CONTRIBUTIONS		
Tap fees	4,000	6,000
Capital project contributions	170,102	8,592
Total capital contributions	<u>174,102</u>	<u>14,592</u>
CHANGE IN NET POSITION	600,631	132,713
NET POSITION - BEGINNING OF YEAR	<u>20,702,134</u>	<u>20,569,421</u>
NET POSITION - END OF YEAR	<u><u>\$ 21,302,765</u></u>	<u><u>\$ 20,702,134</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
For the Year Ended December 31, 2019

(with comparative totals for December 31, 2018)

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from contract services and customers	\$ 1,494,882	\$ 1,363,115
Cash payments to suppliers for goods and services	(690,984)	(824,181)
Cash payments to employees for services	<u>(1,754,783)</u>	<u>(1,660,712)</u>
Cash flows used for operating activities	<u>(950,885)</u>	<u>(1,121,778)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes - Net	1,622,324	1,586,259
Specific ownership taxes	<u>137,991</u>	<u>144,034</u>
Cash flows provided by noncapital financing activities	<u>1,760,315</u>	<u>1,730,293</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Contributed capital - Tap fees	4,000	6,000
Contributed capital - Cost reimbursement	170,102	8,592
Acquisition of capital assets	<u>(1,696,931)</u>	<u>(1,173,496)</u>
Cash flows used for capital and related financing activities	<u>(1,522,829)</u>	<u>(1,158,904)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	186,013	168,724
Purchase of investments	(2,251,810)	(989,609)
Matured investments	<u>2,500,000</u>	<u>2,250,000</u>
Cash flows provided by investing activities	<u>434,203</u>	<u>1,429,115</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(279,196)	878,726
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>4,023,418</u>	<u>3,144,692</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 3,744,222</u></u>	<u><u>\$ 4,023,418</u></u>

(Continued)

These financial statements should be read only in connection with the accompanying notes to financial statements

PLATTE CANYON WATER AND SANITATION DISTRICT
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2019

(with comparative totals for December 31, 2018)

(Continued)

	<u>2019</u>	<u>2018</u>
Reconciliation of (loss) from operations to net cash used for operating activities		
(Loss) from operations	\$ (1,611,724)	\$ (1,796,598)
Adjustments to reconcile (loss) from operations to net cash used for operating activities		
Depreciation and amortization	672,547	653,598
Effects of changes in operating assets and liabilities:		
Receivables	(76,388)	1,306
Prepaid expenses	(110)	(19,557)
Accounts payable	16,745	(7,121)
Accrued salaries and benefits	7,188	5,225
Compensated absences	28,980	44,994
Deposits from developers	11,877	(3,625)
Total adjustments	<u>660,839</u>	<u>674,820</u>
Net cash used for operating activities	<u>\$ (950,885)</u>	<u>\$ (1,121,778)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Loss on disposal of property and equipment	<u>\$ 1,272</u>	<u>\$ 636</u>

These financial statements should be read only in connection with the accompanying notes to financial statements

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – DEFINITION OF REPORTING ENTITY

The District, a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Jefferson and Arapahoe Counties, Colorado. The District was established to provide water and sanitation services.

The District has maintenance agreements with Southwest Metropolitan Water and Sanitation District and other water and sanitation districts. The agreements provide that the District will perform administration and maintenance services using the District's personnel and equipment, with reimbursement to the District for labor, materials and use of equipment and general and administration expenses (See Note 9).

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

Blended Component Units

Platte Canyon Water and Sanitation Subdistrict No. 1 (Subdistrict No. 1) was established in 2005 pursuant to the provisions of § 32-1-1101(f) of the Colorado Revised Statutes. The area of the Subdistrict No. 1, located entirely within the District boundaries, is known as the Columbine Townhouses III Subdivision (Subdivision). The Subdistrict No. 1 was formed for the purpose of financing certain public water distribution system improvements needed to serve the Subdivision. The Subdistrict No. 1 will assess a levy against all real property within its boundaries for the payment of principal and interest on the loan. The Subdistrict No. 1 is included as a blended component unit of the District because the District's board members are the same, the District provides substantial support to the Subdistrict No. 1, and the improvements within the Subdistrict No. 1 ultimately benefit the District as a whole. Separate financial statements are not prepared for the Subdistrict No. 1.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

In 2007 the District Board of Directors established the Platte Canyon Water and Sanitation Subdistrict No. 2 (Subdistrict No. 2) pursuant to the provisions of § 32-1-1101(f) of the Colorado Revised Statutes. The area of Subdistrict No. 2, located entirely within the District boundaries, is known as the Colombine Townhouses Four Subdivision (Subdivision). Subdistrict No. 2 was formed for the purpose of financing certain public water distribution system improvements needed to serve the Subdivision. The Subdistrict No. 2 will assess a levy against all real property within its boundaries for the payment of principal and interest on the loan. The Subdistrict No. 2 is included as a blended component unit of the District because the District's board members are the same, the District provides substantial support to Subdistrict No. 2, and the improvements will ultimately benefit the District as a whole. Separate financial statements are not prepared for the Subdistrict No. 2.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-wide and fund Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely, to a significant extent on fees and charges for support.

The statement of changes in net position demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or entities who use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among *program revenues* are reported instead as *general revenues*. Internally dedicated resources are reported as *general revenues* rather than as *program revenues*.

Separate financial statements are provided for the governmental funds and the proprietary fund because all are considered major funds.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus and accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied.

Governmental fund financial statements are reported using the *current financial resources measurement focus and modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenue to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property and specific ownership taxes, infrastructure service fees, capital project contributions, as well as investment income associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenue or contributions of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

Subdistrict No. 1 Fund and Subdistrict No. 2 Fund – These funds are included as blended component units of the District. The funds are used to account for the financing of certain public water distribution system improvements needed to serve specific subdivisions located in the District. The costs of the improvements are confined to the individual subdivisions by a separate tax levy than that of the District as a whole.

The District reports the following major proprietary fund:

Enterprise Fund – This fund is used to account for the effective and economical operation of water and sewer systems within the jurisdictional boundaries of the District.

Functional expenses for business-type activities in the government-wide and proprietary fund financial statements include allocated indirect overhead expense.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues of the District's enterprise fund consist of charges to other local governments for services provided. Operating expenses for the enterprise fund include cost of service, administrative expenses, and depreciation of assets. All revenues and expenses not meeting this definition are reported as nonoperating revenue and expenses or capital contributions.

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

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. A budget is legally adopted for each fund of the District. The budgets for the Special Revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the Proprietary Fund are presented on a non-GAAP budgetary basis. Capital outlay is budgeted as an expenditure and depreciation is not budgeted. Budgeted amounts in the financial statements are as originally adopted, or as amended by the Directors.

Cash Equivalents and Investments

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments with a maturity of three months or less when purchased, to be cash equivalents. Investments are recorded at fair value.

Receivables

All receivables are recorded at their gross value and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Expenses

Payments made to vendors for services which will benefit periods after December 31 are recorded as prepaid items.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Property Taxes

Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayer election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are normally held in November or December. The County Treasurers remit the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are considered deferred inflows of resources and are recorded initially as deferred revenue in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected (the year that it is levied for).

Capital Assets

Capital assets which include property, equipment, and infrastructure are reported in the business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Such assets are recorded at cost except for those assets which have been contributed which are recorded at estimated fair value at the date of contribution or at developer's cost. Capital assets are defined by the District as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of three years. Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Distribution and Collection Systems	20 – 40 years
Maintenance and Office Equipment	3 – 15 years

Compensated Absences

The District accrues accumulated unpaid vacation and sick leave when earned by the employee. The District has a policy which allows employees to accumulate unused vacation and sick leave up to a certain maximum number of hours. The accumulated vacation and sick leave balance are recorded as an accrued liability and current salary expense when incurred in the proprietary fund financial statements. The District eliminated a deferred merit award program as of December 31, 2018 and any accrued balances were frozen. In the event of termination, an employee is reimbursed for the accumulated vacation and sick hours and paid the balance of the merit award.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Developer Deposits

Developer deposits include funds that have been collected by the District for services to be provided in subsequent periods. At the time the services are provided, the liability is removed from the government-wide and proprietary fund Statements of net position or the governmental fund balance sheet and revenue is recognized.

Fund Balances / Governmental Funds

The District's fund balances fall under the category of "restricted" because the balances are constrained for specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

At December 31, 2019, the District reported restricted fund balance in the Subdistrict No. 1 and Subdistrict No. 2 Special Revenue Funds in the amounts of \$31,812 and \$26,851 respectively, are to be used exclusively for debt service requirements (see Note 5).

Net Position

The District has net position consisting of three components – investment in capital assets, restricted and unrestricted. Investment in capital assets, consists of capital assets, net of accumulated depreciation and if applicable, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net position includes amounts that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Net position in the Government Activities in the amount of \$56,080 is restricted for debt service requirements (see Note 5). Net position of the Business-Type Activities in the amount of \$114,000 is restricted for emergencies (see Note 11).

Negative net position will be reported for the Governmental Activities until the long-term debt obligation is satisfied. At December 31, 2019, negative unrestricted net position in the amount of \$397,084 was reported for the Governmental Activities.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative data has not been presented in all statements because such inclusion would make certain statements unduly complex and difficult to understand. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year presentation.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 3 – CASH AND INVESTMENTS

At December 31, 2019 the District had the following cash and investments:

Cash on hand	\$ 150
Deposits	916,314
Investments	<u>8,378,232</u>
Total	<u><u>\$ 9,294,696</u></u>

Cash deposits and investments are reflected on the December 31, 2019 Statement of Net Position as follows:

Cash and cash equivalents	\$ 3,802,461
Investments	<u>5,492,235</u>
Total	<u><u>\$ 9,294,696</u></u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires deposits of all units of local government to be made in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to the 102% of the uninsured deposits.

Investments

The District is required to comply with State statutes and the District's investment policy which specify instruments meeting defined rating, maturity, and concentration risk criteria in which the District may invest, which include the following. State statute does not address custodial risk.

- . Obligations of the U.S. and certain U.S. government agency securities and the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Certain reverse repurchase agreements
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market mutual funds
- . Guaranteed investment contracts
- . Local government investment pools

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

At December 31, 2019 the District had the following investments:

Investment	Rating	Maturities (in Years)			Total
		1 or less	1 - 5	More than 5	
U.S. Government Instrumentalities	AAA/AA+	\$ -	\$ 2,491,000	\$ -	\$ 2,491,000
U.S. Treasury Notes	N/A	1,249,225	1,008,010	-	2,257,235
Local Government Investment Pool	AAAm	3,629,997	-	-	3,629,997
		<u>\$ 4,879,222</u>	<u>\$ 3,499,010</u>	<u>\$ -</u>	<u>\$ 8,378,232</u>

Interest Rate Risk – The District’s investment policy limits investment maturities by investment type. Maturities for investments in U.S. Treasuries and U.S. Agencies are limited to a maximum of 10 years.

Credit risk – The District’s investment policy limits investments to U.S. Treasury obligations, U.S. Government Agency and Instrumentality securities, local government investment pools, and certain money market mutual funds approved by the Board of Directors. At the time of purchase, investments must have a credit rating equal to or greater than that specified by state statutes.

Concentration of Credit Risk – It is the policy of the District to diversify its investment portfolio to eliminate risk of loss resulting from over concentration of assets in a specific maturity, a specific class, and specific issuer of securities. The District policy includes cash deposits in the total portfolio when determining concentration of investments. The policy provides that the total portfolio of the District may be comprised of 100% U.S. Treasury Notes. However, investment in U.S. Government instrumentalities may not exceed 50% of the District’s total portfolio and investment in any one issuer may not exceed 20% of the total portfolio. Investments in local government investment pools as well as money market mutual funds may not exceed 35% of the District’s total portfolio. The policy provides for variances in the stated maximum percentage limitations not to exceed 10% at any given time. At December 31, 2019, the District’s investment in Federal National Mortgage Association and Federal Farm Credit Bank were 17.87% and 11.86%, respectively, of the District’s total investments and 16.11% and 10.69%, respectively, of the District’s total portfolio.

Local Government Investment pool – At December 31, 2019, the District has invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST PLUS+ may also invest in the highest

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

rated commercial paper. Both the COLOTRUST PRIME and COLOTRUST PLUS+ portfolios are rated AAAM by Standard and Poor's.

Investment Valuation

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District also has investments not categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District held investments in COLOTRUST at yearend which uses the NAV measurement.

COLOTRUST determines the NAV of the shares of each portfolio as of the close of business of each day. The NAV is calculated at fair value using various inputs in determine value in accordance with FASB guidance. It is the goal of the Trust to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by COLOTRUST and there can be no assurance that the NAV will not vary from \$1.00 per share.

At December 31, 2019 fair value and NAV measurements of the District's investments are as follows:

	Carrying Amount
Investment measured at fair value:	
U.S. Government Instrumentalities (Level 1 inputs)	\$ 2,491,000
U.S. Treasury Notes (Level 1 inputs)	2,257,235
Total investments by fair value level	<u>4,748,235</u>
Investments measured at NAV:	
Local Government Investment Pool	3,629,997
Total investments at carrying amount	<u><u>\$ 8,378,232</u></u>

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 4 – CAPITAL ASSETS

The following is an analysis of changes in the business-type activities capital assets for the year ended December 31, 2019:

<u>By Classification</u>	Balance January 1, 2019	Additions	Deletions	Balance at December 31, 2019
Business-type Activities				
Land	\$ 40,200	\$ -	\$ -	\$ 40,200
Construction in progress	2,761	70,126	6,381	66,506
Total non-depreciable assets	42,961	70,126	6,381	106,706
Water distribution system	14,608,591	1,406,800	44,088	15,971,303
Sewage collection system	9,632,065	177,190	9,649	9,799,606
Maintenance equipment	1,743,744	52,093	124,618	1,671,219
Office equipment	335,822	7,201	5,081	337,942
Total capital assets being depreciated	26,320,222	1,643,284	183,436	27,780,070
Less Accumulated Depreciation				
Water distribution system	(7,805,728)	(339,737)	(44,089)	(8,101,376)
Sewage collection system	(6,367,019)	(163,081)	(8,376)	(6,521,724)
Maintenance equipment	(971,897)	(132,246)	(124,618)	(979,525)
Office equipment	(285,444)	(22,023)	(5,081)	(302,386)
Total Accumulated Depreciation	(15,430,088)	(657,087)	(182,164)	(15,905,011)
Total capital assets being depreciated, net	10,890,134	986,197	1,272	11,875,059
Net Capital Assets	\$ 10,933,095	\$ 1,056,323	\$ 7,653	\$ 11,981,765

Depreciation expense for the years ended December 31, 2019 was charged to the following programs:

Business-type Activities:

Water operations	\$ 369,074
Sewer operations	193,955
Contract services	94,058
	<u>\$ 657,087</u>

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 5 – LONG-TERM OBLIGATIONS

The following is an analysis of changes in the governmental activities and business-type activities long-term obligations for the year ended December 31, 2019:

	Balance January 1, 2019	Additions	Deletions	Balance at December 31, 2019	Due within one year
Government Activities:					
Loans from direct borrowings:					
Subdistrict No. 1					
(2006) - \$400,000					
CWRPDA Loan	\$ 195,581	\$ -	\$ 21,389	\$ 174,192	\$ 22,199
Subdistrict No. 2					
(2008) - \$475,000					
CWRPDA Loan	243,630	-	20,738	222,892	21,470
	439,211	\$ -	\$ 42,127	397,084	\$ 43,669
Less current portion	(42,127)			(43,669)	
	<u>\$ 397,084</u>			<u>\$ 353,415</u>	
Business-type Activities:					
Accrual for compensated					
absences	\$ 380,058	\$ 128,628	\$ 99,648	\$ 409,038	\$ 39,714
Less current portion	(35,970)			(39,714)	
	<u>\$ 344,088</u>			<u>\$ 369,324</u>	

Accrual for compensated absences (see Note 2) is liquidated from the Enterprise fund.

The detail of the District's governmental activities long-term obligation is as follows:

Colorado Water Resources and Power Development Authority:

\$400,000 Loan, dated June 30, 2006, with interest of 3.75%, due semi-annually through 2026. Loan repayments may be prepaid, in whole or in part, upon prior written notice of not less than ninety (90) days to the Authority. In the event of default, failure to make required payments for a period of thirty days, the Authority may consent to an extension of time to accommodate corrective action. This loan was entered into by the Subdistrict No. 1 for the purpose of financing water system improvements. The District is in no way obligated to repay the loan.

\$475,000 Loan, dated July 15, 2008, with interest of 3.50%, due semi-annually through 2028. Loan repayments may be prepaid, in whole or in part, upon prior written notice of not less than ninety (90) days to the Authority. In the event of default, failure to make required payments for a period of thirty days, the Authority may consent to an extension of time to accommodate corrective action. This loan was entered into by the Subdistrict No. 2 for the purpose of financing water system improvements. The District is in no way obligated to repay the loan.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

The District's long-term obligations of the governmental activities will mature as follows:

	Loans from Direct Borrowings		
	Principal	Interest	Total
2020	\$ 43,669	\$ 13,941	\$ 57,610
2021	45,267	12,343	57,610
2022	46,924	10,686	57,610
2023	48,641	8,969	57,610
2024	50,422	7,188	57,610
2025-2028	162,161	11,228	173,389
	<u>\$ 397,084</u>	<u>\$ 64,355</u>	<u>\$ 461,439</u>

NOTE 6 – SERVICE CONTRACTS

Water

The District has a distributor's contract with the Denver Water Board whereby the Denver Water Department provides water in the District's service area and charges the users directly ("read and bill" type of distributor's contract). The District owns and maintains the water distribution system.

During 2019, under the distributor contract with Denver, the District entered into an Intergovernmental Agreement with Denver to impose an infrastructure service fee of \$5.00 per month per 3/4" per single family equivalent to District customers. The infrastructure service fee is to be used for operations, maintenance, and rehabilitation of the District's facilities. Infrastructure service fee revenue amounted to \$92,047 in 2019.

Sewer

The District has a contract with the City of Littleton whereby the City provides sewage treatment for the District and bills the users directly. The District owns and maintains the sewage collection system.

NOTE 7 – DEFINED CONTRIBUTION PENSION PLAN

The District has adopted a single employer defined contribution pension plan administered by Colorado Retirement Association (CRA) which covers substantially all employees (minimum eligibility requirements of 20 or more hours of work per week and one full year of continuous service). Contribution requirements of the District and eligible employees are established and may be amended by the District Board of Directors. Eligible employees must participate in the plan with an elected contribution between 3% and 10% of gross wages less overtime pay. The District matches the employees elected contribution level.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Withdrawal from the Plan may occur only upon retirement, death, disability or termination of employment. Employees vest 100% in personal contributions and 20% for each year of employment in employer contributions (fully vested after five years of employment). District contributions for employees who leave employment before five years of participation are used to reduce the District's current period contribution requirement. There is no liability for benefits under the plan beyond the District's matching payments. For the year ended December 31, 2019, employee contributions totaled \$111,405, and the District recognized pension expense of \$109,173. During 2019, forfeitures in the amount of \$2,232 reduced the District's pension expense.

At December 31, 2019, the District had 14 current active plan members and the District's liability to the plan amounted to \$5,486.

NOTE 8 – DEFERRED COMPENSATION PLAN

The District has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is administered by Colorado Retirement Association (CRA). Participation in the plan is optional for all employees. The plan allows the employees to contribute to a Roth account or to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement or death or unforeseen emergencies.

NOTE 9 – COMMITMENTS

Management and Maintenance Agreement

The District has an intergovernmental agreement with Southwest Metropolitan Water and Sanitation District (Southwest) to provide management, maintenance, inspection and clerical services. Under the agreement, the District bills Southwest monthly for its proportionate share of costs. During 2014 the contract was renewed for ten years with an option to renew for successive five year periods after December 31, 2024. During 2019 the District earned reimbursement for contract services from Southwest in the amount of \$1,152,531.

Operating Lease Agreement

The District has an agreement for office and storage space with Southwest. The District jointly funded the expansion and renovation of Southwest's office space being used for District operations. The District paid 30% of the construction costs and began amortizing the prepaid lease payment of \$618,417 on July 1, 2000. The District amortizes the prepaid lease costs over 40 years. At December 31, 2019, the balance of the prepaid lease amounted to \$319,249. The District pays Southwest a monthly rent and a proportionate share of the operation and maintenance expense and

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

capital improvement costs determined on a quarterly basis. The Intergovernmental Agreement for Joint Office and Garage Facility will be effective until December 31, 2029, with the option for renewal for successive periods not to exceed ten years each. Upon termination, the District will be entitled to 30% of the appraised replacement value of the joint facility excluding land value. Operation, maintenance and improvement costs paid to Southwest during 2019 amounted to \$31,279.

Contracts for Services

The District has entered into intergovernmental agreements with Bow Mar Water and Sanitation District (Bow Mar), Columbine Water and Sanitation District (Columbine), Lochmoor Water and Sanitation District (Lochmoor), and Valley Sanitation District (Valley) to provide certain administrative and maintenance services. The District bills Bow Mar, Columbine, Lochmoor, and Valley monthly for work performed based on agreed upon rates of hours worked and cost of materials. During 2019 the District earned \$296,651 which is recorded as contract services.

NOTE 10 – RISK MANAGEMENT

Except as provided in the Colorado Government Immunity Act, as amended from time to time, the District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or acts of God. The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for property, general and automobile liability, public officials, auto physical damage, inland marine, and boiler and machinery. In the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds, which the Pool determines are not needed for purposes of the Pool, may be returned to the members pursuant to a distribution formula.

The District maintains commercial insurance for injuries to employees (worker's compensation). Settled claims have not exceeded this coverage in any of the past three fiscal years.

NOTE 11 – TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

PLATTE CANYON WATER AND SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 4, 2003, a majority of the District's electors authorized the District to collect, retain and spend all revenues and other funds received from all sources, including without limitation the District's existing general operating property tax rate of 7.104 mills, commencing January 1, 2004, for general operations and capital improvements as a voter-approved revenue change, offset and exception to the limits which would otherwise apply under Article X, Section 20 and as a permanent waiver of the 5.5 percent limitation under Section 29-1-301 C.R.S.

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.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. At December 31, 2019, the District's reserve of \$114,000 was recorded as a restriction of net position in the enterprise fund.

This information is an integral part of the accompanying financial statements.

SUPPLEMENTARY INFORMATION

PLATTE CANYON WATER AND SANITATION DISTRICT
SCHEDULE OF OPERATING EXPENSES
ENTERPRISE FUND
For the Year Ended December 31, 2019

(with comparative totals for December 31, 2018)

	<u>2019</u>	<u>2018</u>
WATER OPERATIONS		
Personnel	\$ 127,830	\$ 162,463
Operations and maintenance	229,035	334,634
Depreciation and amortization	365,888	342,610
Equipment and vehicles	7,519	8,518
Insurance	6,382	8,377
Communications	4,402	5,449
Total water operations	<u>741,056</u>	<u>862,051</u>
SEWER OPERATIONS		
Personnel	148,978	139,681
Operations and maintenance	40,746	26,868
Depreciation and amortization	193,559	186,466
Equipment and vehicles	20,623	22,086
Insurance	7,437	7,202
Communications	5,131	4,685
Total sewer operations	<u>416,474</u>	<u>386,988</u>
CONTRACT SERVICES		
Personnel	1,091,942	985,496
Operations and maintenance	23,109	22,301
Depreciation and amortization	96,859	95,205
Equipment and vehicles	43,961	41,576
Insurance	8,409	8,153
Office Expenses	114,725	83,973
Communications	14,892	13,766
Total contract maintenance	<u>1,393,897</u>	<u>1,250,470</u>
GENERAL AND ADMINISTRATIVE		
Personnel	422,201	423,291
Professional and consulting	90,287	87,842
Operations and maintenance	10,670	19,413
Depreciation and amortization	16,241	29,317
Insurance	21,077	21,825
Office expenses	52,142	74,483
Other	7,072	6,352
Total general and administrative	<u>619,690</u>	<u>662,523</u>
Total operating expenses	<u>\$ 3,171,117</u>	<u>\$ 3,162,032</u>

OTHER INFORMATION

PLATTE CANYON WATER AND SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (Non-GAAP BUDGETARY BASIS)
ENTERPRISE FUND
Year Ended December 31, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUE			
Contract Services	\$ 1,379,360	\$ 1,449,182	\$ 69,822
Infrastructure service fee	-	92,047	92,047
Property taxes	1,650,919	1,645,849	(5,070)
Specific ownership taxes	122,909	137,991	15,082
Net investment income	175,220	280,395	105,175
Tap fees	4,000	4,000	-
Capital project reimbursement	-	170,102	170,102
Other	13,080	18,164	5,084
Total revenue	<u>3,345,488</u>	<u>3,797,730</u>	<u>452,242</u>
EXPENDITURES			
OPERATIONS AND ADMINISTRATION			
Operations and Maintenance			
Water	197,940	230,158	(32,218)
Sewer	76,000	42,123	33,877
Equipment and vehicles	91,500	72,103	19,397
Communications	21,700	24,425	(2,725)
Building maintenance	34,575	31,279	3,296
Personnel			
Wages	1,261,800	1,293,003	(31,203)
Benefits	498,597	497,948	649
Office Expenses	113,180	115,779	(2,599)
Professional and consulting	179,000	141,375	37,625
Insurance	50,000	43,305	6,695
Other	30,760	31,782	(1,022)
Total operations and administration	<u>2,555,052</u>	<u>2,523,280</u>	<u>31,772</u>
CAPITAL OUTLAY			
Water distribution system	1,244,231	1,450,670	(206,439)
Sewage collection system	312,418	177,190	135,228
Software	-	19,875	(19,875)
Vehicles	36,000	35,492	508
Maintenance equipment	25,500	16,601	8,899
Office equipment	7,500	7,201	299
Contingency	256,030	-	256,030
Total capital outlay	<u>1,881,679</u>	<u>1,707,029</u>	<u>174,650</u>
Total expenditures	<u>4,436,731</u>	<u>4,230,309</u>	<u>206,422</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(1,091,243)	(432,579)	658,664
FUNDS AVAILABLE - BEGINNING OF YEAR	<u>9,471,113</u>	<u>9,434,330</u>	<u>(36,783)</u>
FUNDS AVAILABLE - END OF YEAR	<u><u>\$ 8,379,870</u></u>	<u><u>\$ 9,001,751</u></u>	<u><u>\$ 621,881</u></u>
Funds available is computed as follows:			
Current assets		\$ 11,424,761	
Current portion of prepaid lease		(15,460)	
Current liabilities		(190,226)	
Non-current portion of compensated absences		(369,324)	
Deferred property tax revenue		(1,848,000)	
		<u><u>\$ 9,001,751</u></u>	

PLATTE CANYON WATER AND SANITATION DISTRICT
RECONCILIATION OF ACTUAL (Non-GAAP BUDGETARY BASIS) TO STATEMENT
OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUND
Year Ended December 31, 2019

REVENUE (BUDGETARY BASIS)	\$ 3,797,730
Total revenue per statement of revenues, expenses and changes in net position	<u>3,797,730</u>
EXPENDITURES (BUDGETARY BASIS)	4,230,309
Depreciation and amortization	672,547
Loss on disposal of property and equipment	1,272
Acquisition of plant and equipment	<u>(1,707,029)</u>
Total expenses per statement of revenues, expenses, and changes in net position	<u>3,197,099</u>
Change in net position	<u><u>\$ 600,631</u></u>

PLATTE CANYON WATER AND SANITATION DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
GOVERNMENTAL ACTIVITIES LONG-TERM OBLIGATIONS
December 31, 2019

Year Ending December 31,	Subdistrict No.1 \$400,000 General Obligation Loan Dated June 30, 2006 Interest rate 3.75%		Subdistrict No. 2 \$475,000 General Obligation Loan Dated July 15, 2008 Interest rate 3.50%		Totals		
	Interest Due May 1 and November 1	Principal Due May 1 and November 1	Interest Due May 1 and November 1	Principal Due May 1 and November 1	Total Interest	Total Principal	Total
2020	\$ 6,326	\$ 22,199	\$ 7,615	\$ 21,470	\$ 13,941	\$ 43,669	\$ 57,610
2021	5,486	23,039	6,857	22,228	12,343	45,267	57,610
2022	4,614	23,911	6,072	23,013	10,686	46,924	57,610
2023	3,710	24,816	5,259	23,825	8,969	48,641	57,610
2024	2,769	25,755	4,419	24,667	7,188	50,422	57,610
2025	1,794	26,730	3,548	25,538	5,342	52,268	57,610
2026	783	27,742	2,646	26,439	3,429	54,181	57,610
2027	-	-	1,712	27,372	1,712	27,372	29,084
2028	-	-	745	28,340	745	28,340	29,085
	<u>\$ 25,482</u>	<u>\$ 174,192</u>	<u>\$ 38,873</u>	<u>\$ 222,892</u>	<u>\$ 64,355</u>	<u>\$ 397,084</u>	<u>\$ 461,439</u>