

SAN JUAN RIVER VILLAGE METRO DISTRICT
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020
WITH REPORT OF
CERTIFIED PUBLIC ACCOUNTANTS

SAN JUAN RIVER VILLAGE METRO DISTRICT

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Independent Auditors' Report

Board of Directors
San Juan River Village Metro District
Pagosa Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of San Juan River Village Metro District, as of and for the year ended December 31, 2020, 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, each major fund, and the aggregate remaining fund information of San Juan River Village Metro District, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof 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 and the general fund budgetary comparison 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise San Juan River Village Metro District's basic financial statements. The proprietary funds budgetary comparison schedules are presented for additional analysis as required by the State of Colorado and are not a required part of the basic financial statements.

The proprietary funds budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 proprietary funds budgetary comparison schedules are fairly stated in all material respects in relation to the financial statements as a whole.



HintonBurdick, PLLC
St. George, Utah
June 25, 2021

**SAN JUAN RIVER VILLAGE METRO DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

As management of San Juan River Village Metro District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2020. Please read it in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- Total assets and deferred outflows exceeded total liabilities and deferred inflows (net position) by \$3.6 million at the close of the fiscal year.
- Total governmental and business-type net position increased by a combined total of \$17,020.
- The total cost of all District programs for 2020 was \$505,934.
- The general fund unassigned fund balance at the end of 2020 was \$181,324 which is 28.7% of total General fund expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements which include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the District as a whole. (2) Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. (3) Notes to the financial statements.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities (Government-wide)

A frequently asked question regarding the District's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes therein. Net position, the difference between assets plus deferred outflows and liabilities plus deferred inflows, are one way to measure the District's financial health, or financial position. Over time, increases or decreases in net position is an indicator of whether the financial health is improving or deteriorating. However, it is important to consider other non-financial factors such as changes in the condition of the District's roads to accurately assess the overall health of the District.

The Statement of Net Position and the Statement of Activities, present information about the following:

- Government activities – All of the District's basic services are considered to be governmental activities, included in general government. Property taxes, and charges for services finance most of these activities.
- Proprietary activities/Business type activities – The District charges a fee to customers to cover most of the cost of the services provided.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds which aid in the management of money for particular purposes or meet legal responsibilities associated with the usage of certain taxes, grants, and other money. The District's two major kinds of funds, governmental and proprietary, use different accounting approaches as explained below.

- Governmental funds – Most of the District's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Government fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included with the Basic Financial Statements and in footnote 2.
- Proprietary funds – When the District charges customers 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 Activities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's combined assets plus deferred outflows exceeded liabilities plus deferred inflows by \$3.6 million as of December 31, 2020 as shown in the following condensed statement of net position. Of this amount, \$565,377 is unrestricted and available to meet the District's ongoing financial obligations.

By far the largest portion of net position is the net investment in capital assets of \$2,987,665 (83.63% of total net position). This amount reflects the investment in all capital assets (e.g. infrastructure, land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources since capital assets themselves cannot be used to liquidate these liabilities.

The District has chosen to account for its water and sewer operations in enterprise funds which are shown as Business Activities.

The following table summarizes the District's governmental and business-type net position as of December 31, 2020:

SAN JUAN RIVER VILLAGE METRO DISTRICT Statement of Net Position

	Governmental activities	Business-type activities	Combined Total
	12/31/2020	12/31/2020	12/31/2020
Current and other assets	\$ 257,921	\$ 381,312	\$ 639,233
Capital assets	1,849,998	1,137,667	2,987,665
Total assets	2,107,919	1,518,979	3,626,898
Other liabilities	4,624	-	4,624
Total liabilities	4,624	-	4,624
Deferred inflows of resources	49,628	-	49,628
Net position:			
Net investment			
in capital assets	1,849,998	1,137,667	2,987,665
Restricted	19,604	-	19,604
Unrestricted	184,065	381,312	565,377
Total net position	\$ 2,053,667	\$ 1,518,979	\$ 3,572,646

An additional portion of net position, \$19,604 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$565,377 (15.83% of total net position), may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental Activities

The cost of all Governmental activities this year was \$512,204 as shown in the Changes in Net Position statement below. \$226,800 of this cost was paid for by those who directly benefited from the programs. Overall governmental program revenues, including intergovernmental aid and fees for services were \$226,800.

The District's programs include: General Government, and Public Works/Streets. Each program's revenues and expenses are presented below.

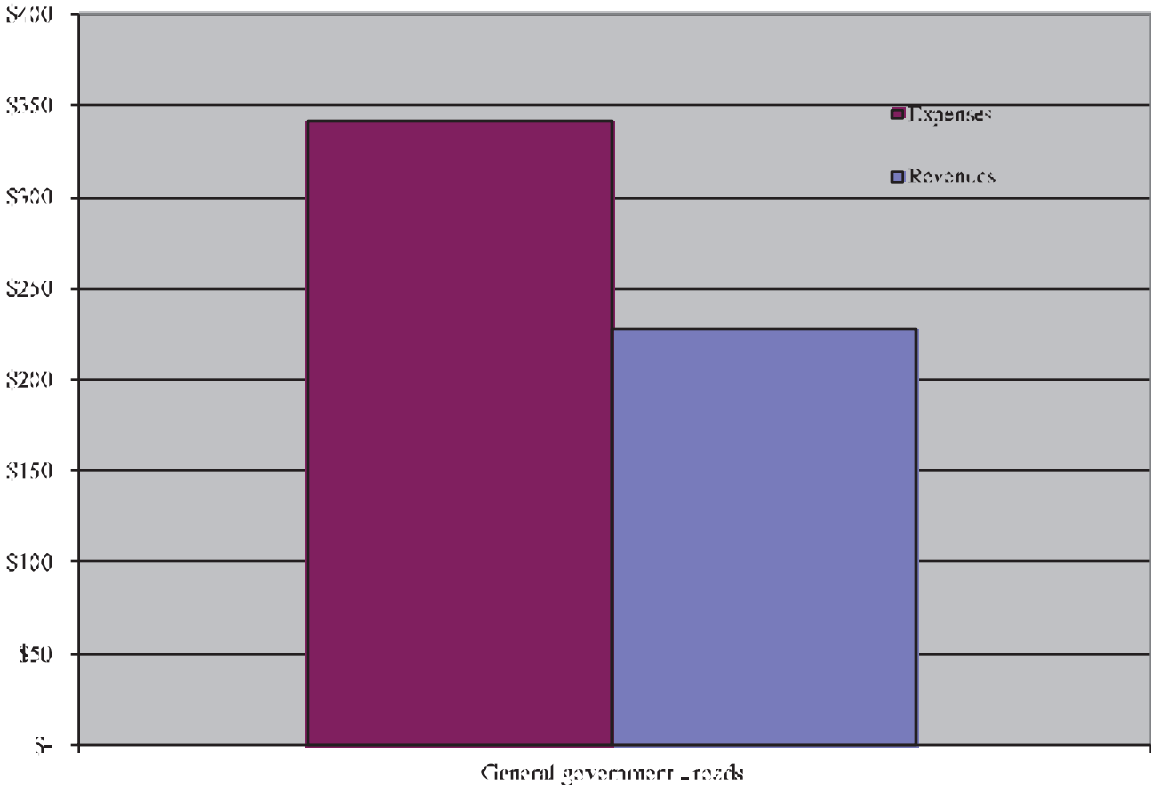
**SAN JUAN RIVER VILLAGE METRO DISTRICT
Changes in Net Position**

	Governmental activities	Business-type activities	Combined Total
	12/31/2020	12/31/2020	12/31/2020
Revenues:			
Program revenues:			
Charges for services	\$ 226,800	\$ 231,396	\$ 458,196
General revenues:			
Taxes	56,492	-	56,492
Investment earnings	728	808	1,536
Other revenue/(expense)	6,760	-	6,760
Total revenues	<u>290,780</u>	<u>232,204</u>	<u>522,984</u>
Expenses			
General government:	342,204	-	342,204
Water	-	94,855	94,855
Sewer	-	68,875	68,875
Total expenses	<u>342,204</u>	<u>163,730</u>	<u>505,934</u>
Increase (decrease) in net position			
before transfers	(51,424)	68,474	17,050
Transfers	172,448	(172,448)	-
Net position, beginning	1,932,643	1,622,953	3,555,596
Net position, ending	<u>\$ 2,053,667</u>	<u>\$ 1,518,979</u>	<u>\$ 3,572,646</u>

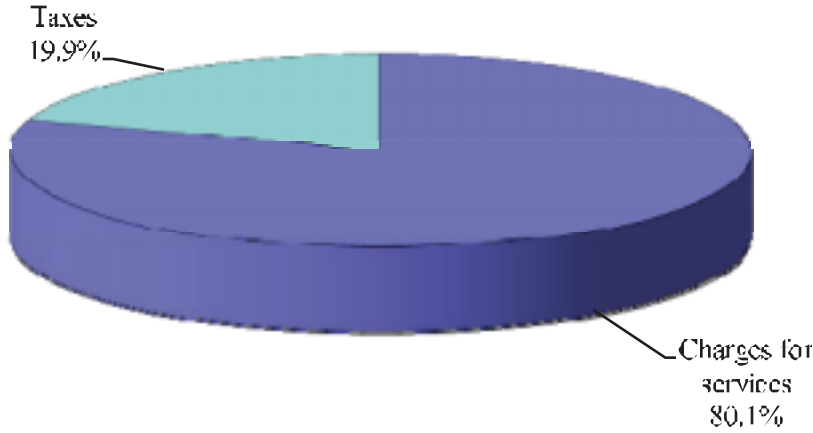
Total resources available during the year to finance governmental operations were \$2,223,423 consisting of net position at January 1, 2020 of \$1,932,643, program revenues of \$226,800, and General Revenues of \$63,980. Total Governmental Activities expenses during the year were \$342,204. Transfer in from the Business Type activities for \$172,448; thus Governmental Net Position increased by \$121,024 to \$2,053,667

The following graphs compare program expenses to program revenues and provide a breakdown of revenues by source for all governmental activities

Expenses and Program Revenues - Governmental Activities
(In thousands)



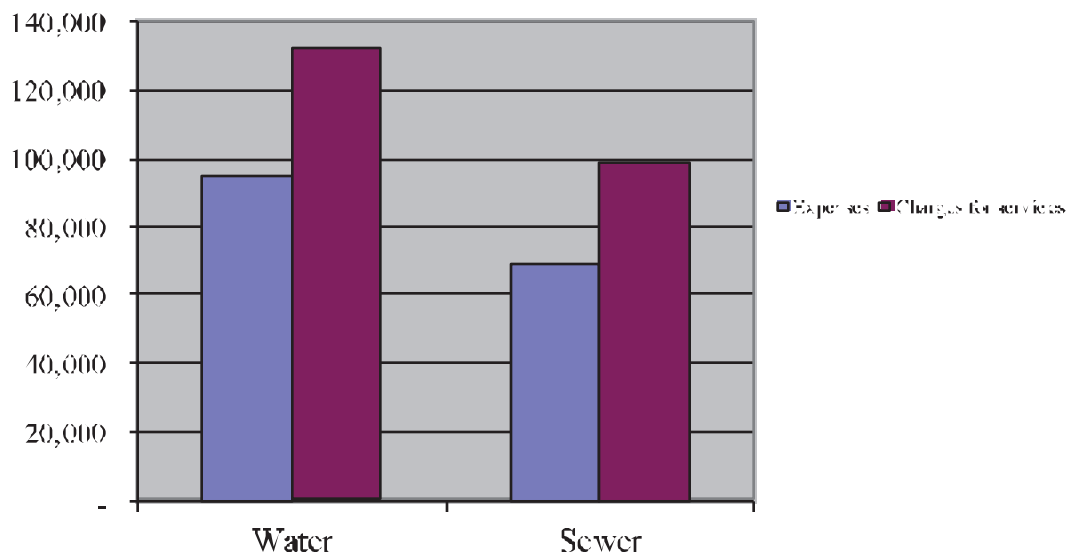
Revenue By Source - Governmental Activities



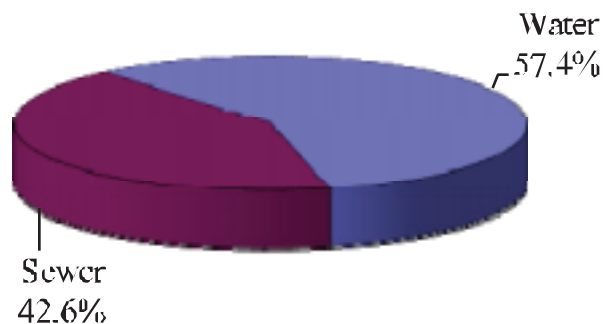
Business Type Activities

Net position of the Business Type activities at December 31, 2020, as reflected in the Statement of Net Position was \$1.5 million. The cost of providing all Proprietary (Business Type) activities this year was \$163,730. As shown in the statement of Changes in Net Position, the amounts paid by users of the system were \$231,396 and there was \$0 subsidized by capital grants and contributions. There was a \$172,448 transfer out of the Business Type activities into the Governmental Type activities. General revenues were \$808. The Net Position decreased by \$103,974. The following graphs compare the total business-type activity expenses by service to the charges for those services and the graph at the bottom of the page provides a breakdown of the total revenues for business-type activities.

Expenses and Charges for Services - Business-type Activities



Revenue By Source - Business-type Activities



Financial Analysis of the Government's Funds

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

Governmental funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District has one major governmental fund, the general fund.

The General fund is the primary operating fund for the District. At December 31, 2020, unassigned fund balance in the General fund was \$181,524. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Total unassigned fund balance represents 28.7% of the total General fund expenditures. The fund balance of the District's General fund decreased by \$168,732 for the year ended December 31, 2020. The General fund revenues and expenses increased from the prior year.

Proprietary funds: The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position and changes in net position for the year-ended December 31, 2020 for the District's two enterprise funds (Water and Sewer) are as follows:

	Water	Sewer	Total
Unrestricted net position	\$ 102,637	\$ 278,675	\$ 381,312
Total net position	866,266	652,713	1,518,979
Change in net position	(25,138)	(78,836)	(103,974)

Budgetary Highlights

General fund revenues of \$290,780 were higher than budgeted revenues of \$279,390 by \$11,390. Actual expenditures were less than budgeted expenditures by \$63,653.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The capital assets of the District are those assets that are used in performance of District functions including infrastructure assets. Capital Assets include buildings, land, and infrastructure and system improvements. At the end of 2020, net capital assets of the government activities totaled \$1.85 million and the net capital assets of the business-type activities were \$1.14 million. The most significant governmental capital addition was for the completion of a building for \$356,288. The most significant business-type capital additions during the year was the addition and improvement of a man hole. Depreciation on capital assets for both government activities and business-type activities is recognized in the Government-Wide financial statements. (See note 5 to the financial statements.)

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

In considering the District's Budget for the year 2021, the Board of Directors and management were cautious as to the growth of revenues and expenditures due to a slow economy.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Management.

BASIC FINANCIAL STATEMENTS

SAN JUAN RIVER VILLAGE METRO DISTRICT
Statement of Net Position
December 31, 2020

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 175,097	\$ 389,688	\$ 564,785
Receivables (net of allowance)	65,051	6,656	71,707
Internal balances	15,032	(15,032)	-
Inventories	1,317	-	1,317
Prepaid expenses	1,424	-	1,424
Capital assets (net of accumulated depreciation):			
Land	159,040	13,753	172,793
Buildings	356,288	-	356,288
Machinery and equipment	38,636	-	38,636
Improvements and systems	1,296,034	1,123,914	2,419,948
Total assets	<u>2,107,919</u>	<u>1,518,979</u>	<u>3,626,898</u>
Liabilities			
Accounts payable and other current liabilities	<u>4,624</u>	<u>-</u>	<u>4,624</u>
Total liabilities	<u>4,624</u>	<u>-</u>	<u>4,624</u>
Deferred Inflows of Resources			
Deferred revenue - property taxes	<u>49,628</u>	<u>-</u>	<u>49,628</u>
Total deferred inflows of resources	<u>49,628</u>	<u>-</u>	<u>49,628</u>
Net Position			
Net investment in capital assets	1,849,998	1,137,667	2,987,665
Restricted for:			
Emergency reserve	19,604	-	19,604
Unrestricted	184,065	381,312	565,377
Total Net Position	<u>\$ 2,053,667</u>	<u>\$ 1,518,979</u>	<u>\$ 3,572,646</u>

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Statement of Activities
For the Year Ended December 31, 2020

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-type Activities
Governmental activities:						
General government- roads	\$ 342,204	\$ 226,800	\$ -	\$ -	\$ (115,404)	\$ (115,404)
Total governmental activities	342,204	226,800	-	-	(115,404)	(115,404)
Business-type activities:						
Water	94,855	132,777	-	-	37,922	37,922
Sewer	68,875	98,619	-	-	29,744	29,744
Total business-type activities	163,730	231,396	-	-	67,666	67,666
Total primary government	\$ 505,934	\$ 458,196	\$ -	\$ -	\$ (115,404)	\$ (115,404)
General Revenues:						
Taxes:						
Property tax				56,192	-	56,192
Unrestricted investment earnings				728	808	1,536
Other revenues				6,760	-	6,760
Transfers				172,448	(172,448)	-
Total general revenues & transfers				236,428	(171,640)	64,788
Change in net position				121,027	(103,977)	17,050
Net position- beginning				1,932,643	1,622,953	3,555,596
Net position- ending				\$ 2,053,670	\$ 1,518,976	\$ 3,572,646

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Balance Sheet
Governmental Funds
December 31, 2020

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 175,097
Accounts receivable, net of allowances	15,123
Property tax receivable	49,628
Due from other funds	15,032
Prepaid expenses	1,424
Inventories	<u>1,317</u>
Total assets	<u>\$ 257,921</u>
Liabilities	
Accrued liabilities	<u>\$ 4,624</u>
Total liabilities	<u>4,624</u>
Deferred Inflows of Resources	
Deferred revenue - property taxes	<u>49,628</u>
Total deferred inflows of resources	<u>49,628</u>
Fund Balances	
Nonspendable:	
Inventories	1,317
Prepaid expenses	1,424
Restricted for:	
Emergency reserve	19,604
Unassigned	<u>181,324</u>
Total fund balances	<u>203,669</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 257,921</u>

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2020

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$	203,669
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$	2,936,805
Accumulated depreciation	<u>(1,086,807)</u>	1,849,998
Total net position - governmental activities		<u><u>\$ 2,053,667</u></u>

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds
For the Year Ended December 31, 2020

	<u>General Fund</u>
Revenues	
Taxes	\$ 56,492
Fees	226,800
Interest income	728
Other revenues	6,760
Total revenues	<u>290,780</u>
 Expenditures	
General government - roads	
Administrative	41,908
Personnel	176,986
Roads	18,488
Capital outlay	394,578
Total expenditures	<u>631,960</u>
Excess of revenues over (under) expenditures	(341,180)
 Other financing sources (uses):	
Transfers in	<u>172,448</u>
Total other financing sources (uses)	<u>172,448</u>
Net change in fund balances	(168,732)
Fund balance, beginning of year	<u>372,401</u>
Fund balance, end of year	<u>\$ 203,669</u>

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2020

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		\$	(168,732)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.</p>			
Capital outlay		\$	356,288
Depreciation expense		<u>(66,532)</u>	<u>289,756</u>
Change in net position of governmental activities		<u>\$</u>	<u>121,024</u>

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Statement of Net Position
Proprietary Funds
December 31, 2020

	Water Fund	Sewer Fund	Combined Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 126,869	\$ 262,819	\$ 389,688
Accounts receivable (net of allowance)	4,127	2,529	6,656
Due from other funds	-	13,327	13,327
Total current assets	<u>130,996</u>	<u>278,675</u>	<u>409,671</u>
Noncurrent assets:			
Land	12,377	1,376	13,753
Improvements and system	1,382,563	775,511	2,158,074
Accumulated depreciation	(631,311)	(402,849)	(1,034,160)
Total noncurrent assets	<u>763,629</u>	<u>374,038</u>	<u>1,137,667</u>
Total assets	<u>894,625</u>	<u>652,713</u>	<u>1,547,338</u>
Liabilities			
Current liabilities:			
Due to other funds	<u>28,359</u>	-	<u>28,359</u>
Total current liabilities	<u>28,359</u>	-	<u>28,359</u>
 Total liabilities	 <u>28,359</u>	 -	 <u>28,359</u>
Net position			
Net investment in capital assets	763,629	374,038	1,137,667
Unrestricted	<u>102,637</u>	<u>278,675</u>	<u>381,312</u>
Total net position	<u>\$ 866,266</u>	<u>\$ 652,713</u>	<u>\$ 1,518,979</u>

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Statement Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Water Fund	Sewer Fund	Combined Total
Operating revenues			
Charges for services	\$ 132,777	\$ 98,619	\$ 231,396
Total operating revenues	<u>132,777</u>	<u>98,619</u>	<u>231,396</u>
Operating expenses			
Personnel	2,214	1,107	3,321
Treatment	19,416	18,712	38,128
Repairs and maintenance	34,444	28,061	62,505
Depreciation	38,781	20,995	59,776
Total operating expenses	<u>94,855</u>	<u>68,875</u>	<u>163,730</u>
Operating income (loss)	<u>37,922</u>	<u>29,744</u>	<u>67,666</u>
Non-operating revenues (expenses)			
Interest income	187	621	808
Total non-operating revenues (expenses)	<u>187</u>	<u>621</u>	<u>808</u>
Income before transfers	38,109	30,365	68,474
Transfers:			
Transfers out	<u>(63,247)</u>	<u>(109,201)</u>	<u>(172,448)</u>
Change in net position	<u>(25,138)</u>	<u>(78,836)</u>	<u>(103,974)</u>
Total net position, beginning of year	<u>891,404</u>	<u>731,549</u>	<u>1,622,953</u>
Total net position, end of year	<u>\$ 866,266</u>	<u>\$ 652,713</u>	<u>\$ 1,518,979</u>

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2020

	Water Fund	Sewer Fund	Combined Total
Cash flows from operating activities:			
Cash received from customers	\$ 119,209	\$ 100,334	\$ 219,543
Cash paid to suppliers	(56,074)	(47,880)	(103,954)
Net cash flows from operating activities	<u>63,135</u>	<u>52,454</u>	<u>115,589</u>
Cash flows from noncapital financing activities:			
Proceeds (payment) of interfund loan	28,359	(13,327)	15,032
Transfers from/(to) other funds	(63,247)	(109,201)	(172,448)
Net cash flows from noncapital financing activities	<u>(34,888)</u>	<u>(122,528)</u>	<u>(157,416)</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(10,700)	(25,170)	(35,870)
Net cash flows from capital and related financing activities	<u>(10,700)</u>	<u>(25,170)</u>	<u>(35,870)</u>
Cash flows from investing activities:			
Interest income	187	621	808
Net change in cash and cash equivalents	17,734	(94,623)	(76,889)
Cash and cash equivalents, including restricted cash beginning of year	<u>109,135</u>	<u>357,442</u>	<u>466,577</u>
Cash and cash equivalents, including restricted cash end of year	<u>\$ 126,869</u>	<u>\$ 262,819</u>	<u>\$ 389,688</u>
Reconciliation of operating income to net cash provided by operating activities:			
Net operating income (loss)	\$ 37,922	\$ 29,744	\$ 67,666
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation/amortization	38,781	20,995	59,776
Changes in operating assets and liabilities:			
(Increase)/decrease in receivables	(13,568)	1,715	(11,853)
Net cash flows from operating activities	<u>\$ 63,135</u>	<u>\$ 52,454</u>	<u>\$ 115,589</u>

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

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies

San Juan Village Metropolitan District is a political subdivision of the State of Colorado. The District was organized and established pursuant to a court order of the District Court of Archuleta County, Colorado on October 9, 1992. The District provides the following services as authorized by the State Statute of Colorado: streets, water, sanitary sewer, and recreation facilities.

Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, the District is not financially accountable for any other entity, nor is the District a component unit of any other government.

Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds. Separate statements for each fund category—governmental and proprietary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The **General Fund** is used to account for all financial resources of the District except those required to be accounted for in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Colorado and the bylaws of the District.

The District reports the following major enterprise funds:

The **Water Fund** accounts for the activities related to the District's water system.

The **Sewer Fund** accounts for the activities related to the District's sewer system.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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 revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues 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, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Deposits and Investments

The District's cash and cash equivalents are considered to be cash-on-hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition for purposes of this note and the statement of cash flows.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to" or "due from other funds. All trade accounts receivable are shown net of an allowance for uncollectible accounts.

Inventories

Governmental fund-type inventories consist of gravel materials for streets and are valued at the lower of cost or market. Inventories for business-type activities consist of various parts and supplies and are valued at the lower of cost or market.

Capital Assets

Capital assets, which include: property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of more than \$1,000 and an estimated useful life of three years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Improvements and system	15 to 39 years
Machinery, equipment and vehicles	7 years

Deferred Outflows/Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item that qualify for reporting in this category. Accordingly, the item, *deferred revenue – property taxes*, is reported in both the governmental funds balance sheet and the statement of net position.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Fund Balance Flow assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The District's Board of Directors is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. District management is authorized to assign amounts to a specific purpose in accordance with the District's budget policy. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Property Taxes

Property taxes are established by Archuleta County. Property taxes attach as an enforceable lien on property as of January 1 and are due and payable February 28 and July 31. All unpaid taxes levied in January become delinquent on August 1. The Archuleta County Treasurer collects all tax revenues due to the District. The amounts are remitted on a monthly basis to the District.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 expenditures expenses during the reporting period. Actual results could differ from those estimates.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 2. Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide statement of net position. These differences primarily result from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The details of these differences are reported in the reconciliation.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. These differences are the result of converting from the current resources measurement focus and modified accrual basis for governmental fund statements to the economic resources measurement focus and full accrual basis used for government-wide statements. The details of these differences are reported in the reconciliation.

Note 3. Stewardship, Compliance, and Accountability

Stewardship, compliance, and accountability are key concepts in defining the responsibilities of the District. The use of budgets and monitoring of equity plans facilitate the District's compliance with legal requirements.

Budgets and Budgetary Accounting

The District's Board of Directors adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- In accordance with State statutes, prior to September 1, the proposed operating budget is submitted to the Board of Directors for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the two preceding years. The State statutes require more detailed line item budgets be submitted in summary form. In addition, more detailed line item budgets are included for administration control. The level of control for the detailed budgets is at the department head function level.
- Public hearings are conducted to obtain taxpayer comment.
- Prior to December 31, the budget is legally adopted through passage of a resolution.
- The District Clerk is required to present a monthly report to the District Board explaining any variance from the approved budget.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 3. Stewardship, Compliance, and Accountability, Continued

- Appropriations lapse at the end of each calendar year.
- The Board of Directors may authorize supplemental appropriations during the year.

Budget amounts included in the financial statements report both the original and final amended budget. There were revisions made to the original budget during the year.

Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America, except for long-term receivables and advances and capital lease financing which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.

Expenditures over Appropriations

Per C.R.S. 29-1-108(2), appropriations are made by fund or spending agency (e.g. department) within a fund at the discretion of the Board of Directors. The Board by Resolution has made appropriations at the fund level and thus, expenditures may not legally exceed budgeted appropriations at the fund level. The individual Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual reports as listed in the table of contents report those funds that exceeded approved budget appropriations.

Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation.

The Amendment requires that an emergency reserve be maintained at three percent of fiscal year spending (excluding bonded debt service). A portion of the General Fund's fund balance is classified as restricted for emergencies as required by the Amendment. The District is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District believes it is in compliance with the requirements of the Amendment. However, the entity has made certain interpretations in the Amendment's language in order to determine its compliance.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 4. Deposits

A summary of cash deposits as shown on the statement of net position follows:

Cash on hand	\$	50
Cash in bank		<u>564,735</u>
Total cash and investments	\$	<u>564,785</u>
Governmental activities	\$	175,097
Business-type activities		<u>389,688</u>
	\$	<u>564,785</u>

Deposits

Custodial Credit Risk

For deposits this is the risk that in the event of a bank failure, the government's deposit may not be returned to it.

Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At December 31, 2020 cash on hand was \$50. As of December 31, 2020 the bank balance of the District's deposits was \$564,861 of which \$250,000 was insured by federal depository insurance and \$341,861 was collateralized by the PDPA as noted above.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 5. Capital Assets

The following table summarizes the changes to capital assets for governmental activities during the year.

Governmental Activities:	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Capital assets, not being depreciated:				
Land	\$ 159,040	\$ -	\$ -	\$ 159,040
Total capital assets, not being depreciated	<u>159,040</u>	<u>-</u>	<u>-</u>	<u>159,040</u>
Capital assets, being depreciated:				
Buildings	-	356,288	-	356,288
Machinery and equipment	275,089	-	-	275,089
Infrastructure	2,146,388	-	-	2,146,388
Total capital assets, being depreciated	<u>2,421,477</u>	<u>356,288</u>	<u>-</u>	<u>2,777,765</u>
Less accumulated depreciation for:				
Buildings	-	-	-	-
Machinery and equipment	(224,957)	(11,496)	-	(236,453)
Infrastructure	(795,318)	(55,036)	-	(850,354)
Total accumulated depreciation	<u>(1,020,275)</u>	<u>(66,532)</u>	<u>-</u>	<u>(1,086,807)</u>
Total capital assets, being depreciated, net	<u>1,401,202</u>	<u>289,756</u>	<u>-</u>	<u>1,690,958</u>
Governmental activities capital assets, net	<u>\$ 1,560,242</u>	<u>\$ 289,756</u>	<u>\$ -</u>	<u>\$ 1,849,998</u>

Depreciation expense was charged to the functions/programs of the District as follows:

Governmental Activities:	
General government - roads	<u>\$ 66,532</u>
Total depreciation expense - governmental activities	<u>\$ 66,532</u>

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 5. Capital Assets, Continued

The following table summarizes the changes to capital assets for business-type activities during the year.

Business Type Activities:	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Capital assets not being depreciated:				
Land	\$ 13,753	\$ -	\$ -	\$ 13,753
Total capital assets, not being depreciated	<u>13,753</u>	<u>-</u>	<u>-</u>	<u>13,753</u>
Capital assets being depreciated:				
Improvements and systems	2,122,204	35,870	-	2,158,074
Total capital assets, being depreciated	<u>2,122,204</u>	<u>35,870</u>	<u>-</u>	<u>2,158,074</u>
Less accumulated depreciation for:				
Improvements and systems	(974,384)	(59,776)	-	(1,034,160)
Total accumulated depreciation	<u>(974,384)</u>	<u>(59,776)</u>	<u>-</u>	<u>(1,034,160)</u>
Total capital assets, being depreciated, net:	<u>1,147,820</u>	<u>(23,906)</u>	<u>-</u>	<u>1,123,914</u>
Business-type activities capital assets, net	<u><u>\$ 1,161,573</u></u>	<u><u>\$ (23,906)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,137,667</u></u>

Depreciation expense was charged to the functions/programs of the District as follows:

Business-Type Activities:	
Water	\$ 38,781
Sewer	20,995
Total depreciation expense - business-type activities	<u><u>\$ 59,776</u></u>

SAN JUAN RIVER VILLAGE METRO DISTRICT
Notes to the Financial Statements
December 31, 2020

Note 6. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables for the year ended December 31, 2020 are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 15,032	\$ -
Water Fund	-	28,359
Sewer Fund	13,327	-
	\$ 28,359	\$ 28,359

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers for the fiscal year ended December 31, 2020 are as follows:

	Transfers Out:		
	Water Fund	Sewer Fund	Total
Transfers In:			
General Fund	\$ 63,247	\$ 109,201	\$ 172,448
	\$ 63,247	\$ 109,201	\$ 172,448

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 7. Risk Management

The District is exposed to various risks of loss related to theft, fire, damage to, and destruction of assets; errors and omission; and general liability. The District has purchased insurance through commercial companies for protection for said risks.

SAN JUAN RIVER VILLAGE METRO DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
FOR THE FOLLOWING MAJOR FUNDS:

The **General Fund** is used to account for all financial resources of the District, except those required to be accounted for in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Colorado and the bylaws of the District.

SAN JUAN RIVER VILLAGE METRO DISTRICT
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2020

Revenues	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Taxes	\$ 52,270	\$ 52,270	\$ 56,492	\$ 4,222
Fees	224,220	224,220	226,800	2,580
Interest income	400	400	728	328
Miscellaneous revenues	2,500	2,500	6,760	4,260
Total revenues	<u>279,390</u>	<u>279,390</u>	<u>290,780</u>	<u>11,390</u>
Expenditures				
General government - roads				
Administrative	61,230	61,230	41,908	19,322
Personnel	171,118	171,118	176,986	(2,868)
Roads	60,165	60,165	18,488	41,677
Capital outlay	336,000	400,100	394,578	5,522
Total expenditures	<u>631,513</u>	<u>695,613</u>	<u>631,960</u>	<u>63,653</u>
Excess of revenues over (under) expenditures	<u>(352,123)</u>	<u>(416,223)</u>	<u>(341,180)</u>	<u>75,043</u>
Other financing sources (uses):				
Transfers in	112,448	112,448	172,448	60,000
Total other financing sources (uses)	<u>112,448</u>	<u>112,448</u>	<u>172,448</u>	<u>60,000</u>
Net change in fund balance	(239,675)	(303,775)	(168,732)	135,043
Fund balance, beginning of year	<u>372,401</u>	<u>372,401</u>	<u>372,401</u>	<u>-</u>
Fund balance, end of year	<u>\$ 132,726</u>	<u>\$ 68,626</u>	<u>\$ 203,669</u>	<u>\$ 135,043</u>

SAN JUAN RIVER VILLAGE METRO DISTRICT

SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES

FOR THE FOLLOWING FUNDS:

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The budgets for the enterprise funds have been prepared and presented on a modified accrual basis which is an accounting basis other than GAAP for enterprise funds.

The **Water Fund** accounts for the activities related to the District's water system.

The **Sewer Fund** accounts for the activities related to the District's sewer system.

SAN JUAN RIVER VILLAGE METRO DISTRICT
Water Fund
Schedule of Revenues, Expenses and Changes in Net Position
Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 92,281	\$ 92,281	\$ 132,777	\$ 40,496
Interest income	200	200	187	(13)
Total revenues	<u>92,481</u>	<u>92,481</u>	<u>132,964</u>	<u>40,483</u>
Expenses				
Personnel	3,500	3,500	2,214	1,286
Water treatment	56,470	56,470	19,416	37,054
Repairs and maintenance	27,420	27,420	34,444	(7,024)
Transfers out	63,247	63,247	63,247	-
Total expenses	<u>150,637</u>	<u>150,637</u>	<u>119,321</u>	<u>31,316</u>
Change in net position - budget basis	<u>\$ (58,156)</u>	<u>\$ (58,156)</u>	13,643	<u>\$ 71,799</u>
GAAP Basis Adjustments				
Depreciation			<u>(38,781)</u>	
Change in net position - GAAP basis			(25,138)	
Net position, beginning of year			<u>891,101</u>	
Net position, end of year			<u>\$ 866,266</u>	

SAN JUAN RIVER VILLAGE METRO DISTRICT
Sewer Fund
Schedule of Revenues, Expenses and Changes in Net Position
Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 66,766	\$ 95,266	\$ 98,619	\$ 3,353
Interest income	500	500	621	121
Total revenues	<u>67,266</u>	<u>95,766</u>	<u>99,240</u>	<u>3,474</u>
Expenses				
Personnel	3,000	3,000	1,107	1,893
Sewer treatment	263,366	230,070	18,712	211,358
Repairs and maintenance	73,101	73,101	28,061	45,040
Transfers	49,201	109,201	109,201	-
Total expenses	<u>388,668</u>	<u>415,372</u>	<u>157,081</u>	<u>258,291</u>
Change in net position - budget basis	<u>\$ (321,402)</u>	<u>\$ (319,606)</u>	<u>(57,841)</u>	<u>\$ 261,765</u>
GAAP Basis Adjustments				
Depreciation			<u>(20,995)</u>	
Total GAAP basis adjustments			<u>(20,995)</u>	
Change in net position - GAAP basis			(78,836)	
Net position, beginning of year			<u>731,549</u>	
Net position, end of year			<u>\$ 652,713</u>	