

SILT WATER CONSERVANCY DISTRICT

FINANCIAL STATEMENTS
AND
AUDITOR'S REPORT

DECEMBER 31, 2020

SILT WATER CONSERVANCY DISTRICT
SILT, COLORADO
FOR THE YEAR ENDED
December 31, 2020

OFFICERS/DIRECTORS

Scot Dodero – President
Michael Sean Mello – Vice President
Dominic Dodero – Director
Jerry Seifert – Director
Mike Walck – Director
Wayne Pollard – Director
Jack Pretti – Director
Richard W. Rhoades – Director
Earl D. Keithley – Director
Jim Bershenyi - Director

OFFICERS - OTHER

Tina Bergonzini– Secretary/Treasurer

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To the Board of Directors
Silt Water Conservancy District
Silt, Colorado

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Silt Water Conservancy District as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Silt Water Conservancy 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 of 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 the Silt Water Conservancy District as of December 31, 2020 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, listed as required supplementary information 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 accounting standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding 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 supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance thereon.

Other Supplemental Information

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Silt Water Conservancy District's basic financial statements. The proprietary fund budgetary comparison schedule listed as Other Supplemental Information in the table of contents is for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material aspects, in relation to the basic financial statements taken as a whole.

Maggard & Hood, P.C.

Maggard & Hood, P.C.
Glenwood Springs, Colorado
August 12, 2021

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Silt Water Conservancy District (the "District"), a political subdivision of the State of Colorado, was formed to manage water stored in the Rifle Gap and Harvey Gap reservoirs near the City of Rifle and the Town of Silt. The Board of Directors is appointed by a District Judge and has authority to levy ad valorem taxes, set fees for services, acquire and own property, incur debt, and perform all other functions necessary in the operation of the District.

The Management's Discussion and Analysis of the Silt Water Conservancy District's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2018. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the District's overall financial performance.

FINANCIAL HIGHLIGHTS

- In total the District's overall net position increased \$38,492, or 4% from the previous fiscal year.
- General Revenues accounted for \$160,830 or 26% of all revenues. These general revenues include taxes and interest on investments. Program specific revenues, in the form of charges for services, expense reimbursements and capital grants, amounted to \$455,075 or 74% of the District's total revenues of \$615,905. Total revenues increased \$80,392 from 2019, primarily due to the receipt of capital grants, extra water sales and increased assessment fees.
- The District had \$577,413 of expenses. Of these expenses, \$455,073 were offset by program specific revenues. The remaining expenses were covered by general revenues consisting mostly of property taxes. The District's expenses included depreciation in the amount of \$74,776.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two types of information on the same statement that present different views of the District:

- *Government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- *Fund financial statements* that focus on *individual parts* of the District's government, reporting the District's operations *in more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Additional supplemental information has also been included to enhance the reader's understanding of the financial statements.

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

REPORTING ON THE DISTRICT AS A WHOLE

Statement of Net Position and Statement of Activities

While this report contains all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during the current fiscal year?" The statement of net position and statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

The focus of the government-wide financial statements is on the overall financial position and activities of the District. These financial statements are constructed around the concept of an overall primary reporting government, which includes all funds of the District. The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances.

The two statements report the District's net position and changes in those assets. This change in net position is important because it identifies whether the financial position of the District has improved or diminished for the District as a whole. The cause of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the District's property tax base, current property tax laws, statutorily required reserves, facility conditions, and other factors.

In the statement of net position and the statement of activities, the District is divided into two distinct kinds of activities:

Governmental Activities – Governmental activities are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. Most of the District's administrative operations are reported here including a portion of its debt service and other fiscal charges.

Business-Type Activities – Business-type activities are financed to some degree by charging external parties for the goods or services they acquire. The District's enterprise fund for irrigation water is reported as a business-type activity as the service is provided on a charge for goods or services basis to recover the expenses of the goods and services provided.

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant funds – not the District as a whole. Unlike government-wide financial statements, the focus of the fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

Governmental funds – The District's administrative and general obligation debt service activity is reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending in future periods. The funds are reported using an accounting method called *modified accrual* accounting, 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. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* is provided in reconciliations following the fund financial statements. The District maintains the following governmental funds:

General Fund – The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of special revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes. The special revenue funds of the District are the Operations and Maintenance Fund and the Pump Reserve Fund. These funds were established pursuant to a contract with the U.S. Department of the Interior to account for reserves that are to be maintained for extraordinary and unforeseen operating costs (operations and maintenance fund) and pumping plant replacements (pump reserve fund).

Proprietary Funds – The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. These funds are established to account for operations that are financed and operated in a manner similar to private enterprise, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges

Water Fund – accounts for activities related to irrigation water services provided to the citizens of the District.

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

THE DISTRICT AS A WHOLE

Statement of Net Position

The perspective of the Statement of Net Position is of the District as a whole. Following is a summary of the District's net position for the current and prior fiscal year.

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019 <i>(UNAUDITED)</i>	2020	2019 <i>(UNAUDITED)</i>	2020	2019 <i>(UNAUDITED)</i>
<u>Assets:</u>						
Current and Other Assets	\$ 591,681	\$ 567,563	\$ 215,356	\$ 203,619	\$ 807,037	\$ 771,182
Capital Assets, Net	228,525	245,252	869,969	894,022	1,098,494	1,139,274
Total Assets	<u>820,206</u>	<u>812,815</u>	<u>1,085,325</u>	<u>1,097,641</u>	<u>1,905,531</u>	<u>1,910,456</u>
<u>Liabilities:</u>						
Current and Other Liabilities	60,119	29,737	36,914	41,328	97,033	71,065
Long Term Liabilities	-	38,400	736,781	768,890	736,781	807,290
Total Liabilities	<u>60,119</u>	<u>68,137</u>	<u>773,695</u>	<u>810,218</u>	<u>833,814</u>	<u>878,355</u>
<u>Deferred Inflows of Resources:</u>						
Unavailable Revenue						
From Property Taxes	148,731	147,607	-	-	148,731	147,607
Total Deferred Inflows Of Resources	<u>148,731</u>	<u>147,607</u>	<u>-</u>	<u>-</u>	<u>148,731</u>	<u>147,607</u>
<u>Net Position:</u>						
Invested in Capital Assets, net of Related Debt	228,525	206,852	101,079	93,806	329,604	300,658
Restricted for:						
Emergencies	4,500	4,700	-	-	4,500	4,700
Water System Operation and Maintenance	8,789	6,789	-	-	8,789	6,789
Water Pumping Plant Operation	39,314	38,704	-	-	39,314	38,704
Unrestricted	330,228	340,026	210,551	193,617	540,779	533,643
Total Net Position	<u>\$ 611,356</u>	<u>\$ 597,071</u>	<u>\$ 311,630</u>	<u>\$ 287,423</u>	<u>\$ 922,986</u>	<u>\$ 884,494</u>

Total assets of the District increased \$4,925. The increase is primarily due to increased cash reserves.

Total liabilities of the District decreased \$44,541. This is primarily the result of the payoff of long term debt.

The District's overall *Net Position* increased \$38,492.

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

THE DISTRICT AS A WHOLE, CONTINUED

Statement of Activities

The perspective of the statement of activities is also of the District as a whole. The statement of activities reflects the cost of program services and the charges for services and sales, grants and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues and general property taxes, as well as other general revenues, resulting in the overall change in net position for the current and prior fiscal year:

	<u>Governmental</u>		<u>Business-Type</u>		<u>Totals</u>	
	2020	2019	2020	2019	2020	2019
		<i>(UNAUDITED)</i>		<i>(UNAUDITED)</i>		<i>(UNAUDITED)</i>
<u>Revenues:</u>						
<u>Program Revenues:</u>						
Charges for Services/Sales	\$ -	\$ -	\$ 358,545	\$ 328,230	\$ 358,545	\$ 328,230
Operating Grants and Contributions	12,918	21,733	43,726	19,195	56,644	40,928
Capital Grants and Contributions	7,060	5,525	32,826	-	39,886	5,525
Total Program Revenues	<u>19,978</u>	<u>27,258</u>	<u>435,097</u>	<u>347,425</u>	<u>455,075</u>	<u>374,683</u>
<u>General Revenues:</u>						
Taxes	154,001	145,580	-	-	154,001	145,580
Interest/Investment Earnings	23	703	5	1,387	28	2,090
Miscellaneous	6,801	5,400	-	3,350	6,801	8,750
Total General Revenues	<u>160,825</u>	<u>151,683</u>	<u>5</u>	<u>4,737</u>	<u>160,830</u>	<u>156,420</u>
Total Revenues	<u>180,803</u>	<u>178,941</u>	<u>435,102</u>	<u>352,162</u>	<u>615,905</u>	<u>531,103</u>
<u>Expenses:</u>						
<u>Operating Expenses:</u>						
Administration	119,798	155,053	-	-	119,798	155,053
Salaries	-	-	106,214	98,317	106,214	98,317
Energy and Power	-	-	50,207	44,917	50,207	44,917
Operations and Maintenance	-	-	37,973	84,880	37,973	84,880
Insurance and Bonds	-	-	24,756	27,668	24,756	27,668
Office and Miscellaneous	-	-	10,663	8,030	10,663	8,030
Depreciation	16,727	16,926	58,049	54,428	74,776	71,354
Non-Capitalized Outlay	7,060	22,850	117,787	-	124,847	22,850
<u>Non-Operating Expenses:</u>						
Treasurer's Fees	2,933	2,579	5,437	4,913	8,370	7,492
Interest on Long-Term Debt	-	-	19,809	21,487	19,809	21,487
Total Program Expenses	<u>146,518</u>	<u>197,408</u>	<u>430,895</u>	<u>344,640</u>	<u>577,413</u>	<u>542,048</u>
Increase (Decrease) in Net Position before Operating Transfers	34,285	(18,467)	4,207	7,522	38,492	(10,945)
Operating Transfers	<u>(20,000)</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Position	<u>\$ 14,285</u>	<u>\$ (18,467)</u>	<u>\$ 24,207</u>	<u>\$ 7,522</u>	<u>\$ 38,492</u>	<u>\$ (10,945)</u>

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

THE DISTRICT AS A WHOLE, CONTINUED

Governmental Activities

Revenues

Overall revenues increased from 2019 as a result of property valuations increasing slightly within the District, and the receipt of grant proceeds to offset construction costs. General tax revenues increased approximately 5.7% from prior year.

Expenses

Expenses decreased \$15,525 from the prior fiscal year due to savings in administration costs and capital outlay.

The statement of activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting those services. The following table summarizes the information from the statement of activities, reflecting the total cost of program services and remaining net cost of program services which are supported by taxes and other general revenues:

	Total Cost of Service		Net Cost of Services	
	2020	2019	2020	2019
Water Utility System	\$ 146,518	\$ 197,408	\$ 126,540	\$ 170,150

The dependence on taxes and other general revenues is apparent. Approximately 100% of program services were supported through taxes and other general revenues (operating and capital contributions).

Business-Type Activities

Revenues

Charges for services increased from the prior year due to extra water sales and increased assessment fees. Overall program revenues increased 4.5% from the prior year.

Expenses

Program expenses increased \$86,255, or 25% from the prior fiscal year. This increase was caused primarily by capital construction and engineering of the canal improvements. Savings occurred in overall maintenance and operation as the District focused on long term capital improvements.

The positive increase in net position of the business-type activity indicate that the Enterprise Fund operating revenues are sufficient to provide for operating expenses.

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

THE DISTRICT'S FUNDS

Governmental Funds

The fund level financial statements focus on how services were financed in the short-term as well as what remains for future spending. The fund level financial statements are reported on the modified accrual basis of accounting. At the fund level, under the modified accrual basis of accounting, depreciable assets and their related depreciation expense are not reflected as they are not a current period financial resource or use. In addition, at the fund level, inflows from operating loans are presented as a revenue item while outflows for capital outlay and debt service payments are presented as expenditure items, as these items represent current period financial resources and uses.

The General Fund ending fund balance decreased from \$339,726 to \$334,728 during the current fiscal year. This represents the excess of current period expenditures (financial uses) over current period revenues (financial resources). The ending fund balance of \$334,728 is the amount of net resources available for future spending. Most of the financial resources are from property and specific ownership taxes, as well as expense reimbursements. The uses of the funds were administrative costs, professional services, debt service payments and operating transfers to other funds.

The special revenue funds ending fund balances increased from \$40,273 to \$42,883. The increase is the result of required funding transfers from the General Fund.

Proprietary Funds

The proprietary fund level financial statements, as discussed above, use the same basis of accounting as business-type activities. The Water Enterprise Fund ending net position increased from \$287,423 to \$311,630. The positive change in fund net position reflects that the enterprise fund's operating and non-operating revenues were sufficient in amount to offset current year operating and non-operating expenses. The ending net position in the enterprise activity represents the amount of net resources, including capital assets, available to provide future utility services and capacity improvements to the citizens of the District.

BUDGETARY INFORMATION

The District's procedures in establishing budgetary data reflected in the financial statements are summarized in *Note 1* of the financial statements. Budgets for the District are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception of the Proprietary Fund. The reconciliation of the budgetary differences in the Proprietary Fund to (GAAP) is found in *Note 7* of the financial statements. The budgetary comparison schedules for the District are found in the section entitled "Required Supplemental Information" and "Other Supplemental Information" following the notes to financial statements.

The District uses a line-item based budget which is designed to control line-item expenditures, but provide flexibility for overall budgetary management. It is not anticipated that the current year variances will have a significant impact on future services or liquidity.

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

BUDGETARY INFORMATION, CONTINUED

General Fund Resources (Inflows)

The District's General Fund budgetary revenues and other financing sources in the amount of \$185,803 fell short of budget expectations of \$263,057 by \$77,254, or 29%.

General Fund Charges to Appropriations (Outflows)

The District's general fund budgetary expenditures and other financing uses of \$190,801 were \$71,150 less than the final appropriated balance of \$261,951. Both positive and negative budget variances occurred throughout the District's expenditure classifications. Significant budgetary savings occurred in unused appropriations for capital expenditures and professional services.

General Fund Unappropriated Fund Balance

The General Fund ending unappropriated budgetary fund balance carryover to fiscal year 2020 is \$334,728.

CAPITAL ASSETS

At the end of 2020, the District had a total of \$1,098,494 invested in capital assets, consisting of \$228,525 in governmental activities and \$869,022 in business-type activities. The following reflects the balances the current fiscal year compared to the prior fiscal year, net of depreciation and amortization:

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
<i>Net of Depreciation:</i>						
Non-Depreciable Assets:						
Easements	\$ 10,793	\$ 10,793	\$ -	\$ -	\$ 10,793	\$ 10,793
Construction in Process	-	-	-	-	-	-
Depreciable Assets:						
Infrastructure	196,449	203,465	-	-	196,449	203,465
Pump House	-	411	-	-	-	411
Vehicles and Equipment	21,283	30,583	45,436	22,683	66,719	53,266
Utility System	-	-	824,533	871,339	824,533	871,339
Capital Assets, Net	<u>\$ 228,525</u>	<u>\$ 245,252</u>	<u>\$ 869,969</u>	<u>\$ 894,022</u>	<u>\$ 1,098,494</u>	<u>\$ 1,139,274</u>

In 2020, the District made no capital purchases.

DEBT ADMINISTRATION

At December 31, 2020 the District had total outstanding long-term debt of \$768,890. The entire amount is carried in the business type activity. See *Note 4 - Long-term Debt Obligations* for details of the terms and annual debt service requirements to amortize the District's long-term debt.

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2020

MAJOR INITIATIVES

The District will continue servicing and maintaining infrastructure and equipment needed to supply irrigating water for approximately 7,000 acres of land located within the District boundaries. Principal features of the District are Rifle Gap Dam and Reservoir, a pumping plant, and a lateral system.

ECONOMIC CONDITION AND OUTLOOK

Although the national economy has improved as well as the local real estate markets, the natural gas exploration in Western Colorado is nearly non-existent. Property valuations have increased, resulting in larger property tax revenues; however, the future economic outlook remains uncertain which could result in increased per acre foot assessments.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, taxpayers, 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 any questions regarding this report or need additional financial information, please contact the:

Administration Office
120 S. 7th Street
P.O. Box 8
Silt, Colorado 81652
Phone: (970) 876-2393

GOVERNMENT - WIDE FINANCIAL STATEMENTS

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Governmental Activities	Business-type Activities	Totals
<u>ASSETS</u>			
Current:			
Cash and Investments	\$ 649,616	\$ -	\$ 649,616
Receivables:			
Accounts	-	-	-
Farmers Irrigation	-	7,869	7,869
Taxes – w/County Treasurer	821	-	821
Taxes - Property	148,731	-	148,731
Internal Balances	(207,487)	207,487	-
Total Current Assets	591,681	215,356	807,037
Non-Current:			
Receivables:			
Intra-fund Note	-	-	-
Capital Assets:			
Capital Assets, Net of Depreciation	228,525	869,969	1,098,494
Total Non-Current Assets	228,525	869,969	1,098,494
TOTAL ASSETS	820,206	1,085,325	1,905,531
<u>LIABILITIES</u>			
Accounts Payable	55,635	-	55,635
Payroll Liabilities	4,484	-	4,484
Accrued Interest	-	4,805	4,805
Long-term Debt:			
Portion Due or Payable within One Year:			
Loans Payable	-	32,109	32,109
Portion Due or Payable after One Year:			
Loans Payable	-	736,781	736,781
TOTAL LIABILITIES	60,119	773,695	833,814
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues – Property Taxes	148,731	-	148,731
Total Deferred Inflows of Resources	148,731	-	148,731
<u>NET POSITION</u>			
Invested in Capital Assets, Net of Related Debt	228,525	101,079	329,604
Restricted for:			
Emergencies	4,500	-	4,500
Water System Operation and Maintenance	8,789	-	8,789
Water Pumping Plant Operation	39,314	-	39,314
Unrestricted	330,228	210,551	540,779
TOTAL NET POSITION	\$ 611,356	\$ 311,630	\$ 922,986

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended December 31, 2020

		PROGRAM REVENUES		
Expenses	Charges For Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
GOVERNMENTAL ACTIVITIES:				
Water Utility System	\$ 146,518	\$ -	\$ 12,918	\$ 7,060
TOTAL GOVERNMENTAL ACTIVITIES	146,518	-	12,918	7,060
BUSINESS-TYPE ACTIVITIES:				
Water Utility System	411,086	358,545	43,726	32,826
Interest on Long Term Debt	19,809	-	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	430,895	358,545	43,726	32,826
TOTAL PRIMARY GOVERNMENT	\$ 577,413	\$ 358,545	\$ 56,644	\$ 39,886

GENERAL REVENUES:
Property Taxes, Levied for General Purposes
Unrestricted Interest and Investment Earnings
Miscellaneous

Total General Revenues

Excess before Transfers and Loans to Other Funds

Transfers – Loans to Other Funds

Change in Net Position

NET POSITION – BEGINNING OF YEAR

NET POSITION – END OF YEAR

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

NET (EXPENSE) REVENUE AND
CHANGES IN NET POSITION

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (126,540)	-	\$ (126,540)
<u>(126,540)</u>	-	<u>(126,540)</u>
-	\$ 24,011	24,011
-	<u>(19,809)</u>	<u>(19,809)</u>
-	<u>4,202</u>	<u>4,202</u>
<u>(126,540)</u>	<u>4,202</u>	<u>(122,338)</u>
154,001	-	154,001
23	5	28
<u>6,801</u>	<u>-</u>	<u>6,801</u>
<u>160,825</u>	<u>5</u>	<u>160,830</u>
34,285	4,207	38,492
<u>(20,000)</u>	<u>20,000</u>	<u>-</u>
14,285	24,207	38,492
<u>597,071</u>	<u>287,423</u>	<u>884,494</u>
<u>\$ 611,356</u>	<u>\$ 311,630</u>	<u>\$ 922,986</u>

FUND FINANCIAL STATEMENTS

SILT WATER CONSERVANCY DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	General Fund	Special Revenue	Total Governmental Funds
<u>ASSETS:</u>			
Cash and Investments	\$ 601,513	\$ 48,103	\$ 649,616
Receivables – Net:			
Accounts	-	-	-
Farmers Irrigation Company	-	-	-
Taxes – w/ County Treasurer	821	-	821
Taxes - Property	148,731	-	148,731
Total Assets	\$ 751,065	\$ 48,103	\$ 799,168
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE:</u>			
Liabilities:			
Accounts Payable	\$ 55,635	\$ -	\$ 55,635
Payroll Liabilities	4,484	-	4,484
Due to Water Fund	207,487	-	207,487
Total Liabilities	267,606	-	267,606
Deferred Inflows of Resources:			
Unavailable Revenues – Property Taxes	148,731	-	148,731
Total Deferred Inflows of Resources	148,731	-	148,731
Fund Balances:			
Restricted for Emergencies	4,500	-	4,500
Restricted for Water System	-	-	-
Operation and Maintenance	-	8,789	8,789
Restricted for Water Pumping			
Plant Operation	-	39,314	39,314
Unassigned	330,228	-	330,228
Total Fund Balance	334,728	48,103	382,831
Total Liabilities and Fund Balances	\$ 751,065	\$ 48,103	\$ 799,168

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

SILT WATER CONSERVANCY DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020

TOTAL GOVERNMENTAL FUND BALANCE	\$	382,831
<p>Amounts reported for governmental activities on the Statement of Net Position is different because of the following:</p>		
<p>Long Term receivables of governmental activities is not a current financial resource and, therefore, is not reported in the governmental funds:</p>		
Intra-fund Note		-
<p>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds:</p>		
Governmental Capital Assets	\$ 449,901	
Less Accumulated Depreciation	<u>(221,376)</u>	<u>228,525</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>611,356</u>

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2020

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
<u>Revenues:</u>			
Local Taxes and Assessments	\$ 154,001	\$ -	\$ 154,001
Intergovernmental	7,060	-	7,060
Expenditure Reimbursements	12,918	-	12,918
Interest	23	-	23
Inter Fund Loan Payment	5,000	-	5,000
Miscellaneous	<u>6,801</u>	<u>-</u>	<u>6,801</u>
Total Revenues	<u>185,803</u>	<u>-</u>	<u>185,803</u>
<u>Expenditures:</u>			
Administration	122,731	-	122,731
Capital Outlay	7,060	-	7,060
Debt Service:			
Principal	<u>38,400</u>	<u>-</u>	<u>38,400</u>
Total Expenditures	<u>168,191</u>	<u>-</u>	<u>168,191</u>
Excess Revenues Over (Under) Expenditures	17,612	-	17,612
<u>Other Financing Sources and (Uses):</u>			
Transfers from Other Funds	-	2,610	2,610
Transfers (to) Other Funds	<u>(22,610)</u>	<u>-</u>	<u>(22,610)</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	(4,998)	2,610	(2,388)
Fund Balance – Beginning of Year	<u>339,726</u>	<u>40,273</u>	<u>379,999</u>
Fund Balance – End of Year	<u>\$ 334,728</u>	<u>\$ 42,883</u>	<u>\$ 377,611</u>

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF FUND NET POSITION
PROPRIETARY FUND
December 31, 2020

	Business-Type Activities Enterprise Fund <u>Water Fund</u>
<u>ASSETS:</u>	
Current:	
Due from General Fund	\$ 207,487
Receivables – Net:	
Farmers Irrigation Company	<u>7,869</u>
Total Current Assets	<u>215,356</u>
Non-Current:	
Capital Assets:	
Utility System	1,410,387
Vehicles and Equipment	270,633
Less Accumulated Depreciation	<u>(811,051)</u>
Total Non-Current Assets	<u>869,969</u>
Total Assets	<u>\$ 1,085,325</u>
<u>LIABILITIES AND FUND NET POSITION:</u>	
Liabilities:	
Current:	
Accrued Interest	\$ 4,805
Current Maturities of Long-term Debt	<u>32,109</u>
Total Current Liabilities	<u>36,914</u>
Non-Current:	
Notes Payable	<u>736,781</u>
Total Liabilities	<u>773,695</u>
Fund Net Position:	
Net Investment in Capital Assets	101,079
Unrestricted	<u>210,551</u>
Total Net Position	<u>311,630</u>
Total Liabilities and Fund Net Position	<u>\$ 1,085,325</u>

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION – PROPRIETARY FUND
For the Year Ended December 31, 2020

	Business-Type Activities Enterprise Fund
	Water Fund
<u>OPERATING REVENUES</u>	
Charges for Services	\$ 298,047
Expense Reimbursements	134,550
Miscellaneous	2,500
Total Operating Revenues	435,097
<u>OPERATING EXPENSES</u>	
Operation and Maintenance	37,973
Energy and Power	50,207
Salaries and Wages	88,373
Payroll Taxes	7,178
Employee Health	10,663
Insurance and Bonds	24,756
Miscellaneous Expense	-
Office Expense and Telephone	9,530
Treasurers Fees	5,437
Security System	1,133
Capital Outlay	117,787
Depreciation Expense	58,049
Total Operating Expenses	411,086
Operating Income (Loss)	24,011
<u>NON-OPERATING REVENUES (EXPENSES)</u>	
Interest Income	5
Interest Expense	(19,809)
Transfer from Other Funds	20,000
Total Non-Operating Revenues (Expenses)	196
Change in Net Position	24,207
Total Net Position – Beginning of Year	287,423
Total Net Position – End of Year	\$ 311,630

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended December 31, 2020

	Business-Type Activities Enterprise Fund
	Water Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 465,940
Cash Payments to Employees	(88,373)
Cash Payments for Goods and Services	<u>(307,245)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>70,322</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Transfer from General Fund	20,000
Addition to Property, Plant and Equipment	(38,996)
Principal Payments on Loan	(31,326)
Interest Paid	<u>(20,005)</u>
NET CASH USED FOR CAPITAL FINANCING ACTIVITIES	<u>(70,327)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest	<u>5</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>5</u>
NET INCREASE (DECREASE) IN CASH	-
CASH AT BEGINNING OF YEAR	<u>-</u>
CASH AT END OF YEAR	<u><u>\$ -</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	
Operating Income (Loss)	\$ 24,011
Non-Cash Expenses Included in Operating Income – Depreciation	58,049
Change in Assets and Liabilities – Decrease (Increase) Receivables	(11,738)
Increase (Decrease) Accounts Payable and Accrued Liabilities	<u>-</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 70,322</u></u>

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

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Silt Water Conservancy District, located in Silt, Colorado, are prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Significant accounting policies of the Silt Water Conservancy District are described below.

A. Financial Reporting Entity

The Silt Water Conservancy District, a political subdivision of the State of Colorado, was formed to manage water stored in the Rifle Gap and Harvey Gap reservoirs near the City of Rifle and the Town of Silt. The Board of Directors is appointed by a District Judge and has authority to levy ad valorem taxes, set fees for services, acquire and own property, incur debt, and perform all other functions necessary in the operation of the District.

The Governmental Accounting Standards Board (GASB) has specified the criteria to be used in defining a governmental entity for financial reporting purposes.

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 appoint a voting majority of an organization's governing body and is either 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 discussed above, the District is not financially accountable for any other entity and, therefore, the District's financial statements do not include any component units, nor do they exclude any potential component units requiring inclusion in the District's reporting entity, nor is the District a component unit of any other government. The District's financial statements include the accounts of all District operations.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and statement of activities, and fund financial statements which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall primary government.

The statement of net position presents the financial condition of the District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District.

In the statement of activities, direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from general revenues of the District.

FUND FINANCIAL STATEMENTS

During the fiscal year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance by segregating transactions related to certain governmental functions or activities. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds, if applicable, are aggregated and presented in a single column. Enterprise funds are reported by type.

C. Fund Accounting

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The District's funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations or limitations based upon the purposes for which they are to be spent and by means by which spending activities are controlled. The various funds of the District are outlined in the following paragraphs.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

C. Fund Accounting, continued

GOVERNMENTAL FUNDS

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources 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 general statutory laws.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of special revenue sources that are restricted or committed for purposes other than debt service or capital projects. The special revenue funds of the District are the Operations and Maintenance Fund and the Pump Reserve Fund. These funds were established pursuant to a contract with the U.S. Department of the Interior to account for reserves that are to be maintained for extraordinary and unforeseen operating costs (operations and maintenance fund) and pumping plant replacements (pump reserve fund).

PROPRIETARY FUNDS

Enterprise Funds – The Water Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

D. Measurement Focus and Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are prepared using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, consist of property taxes, other taxes and fines and penalties. All assets and all liabilities associated with the operation of the District are included on the statement of net position.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

D. Measurement Focus and Basis of Accounting, continued

FUND FINANCIAL STATEMENTS

All governmental funds are accounted for using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this method, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between government-wide and governmental fund statements. Under this method, revenues are recognized when measurable and available. The District considers all revenues available if they are collected within 60 days after year-end. The following material revenue sources are considered susceptible to accrual because they are both measurable and available to finance expenditures of the current period:

- Property Taxes
- Specific Ownership Taxes
- Expense Reimbursements

Taxpayer-assessed local property and specific ownership taxes are considered “measurable” when in the hands of intermediary collecting governments and are recognized as revenue at that time. Expenditures are recorded when the related fund liability is incurred, except for matured principal and interest on general long-term liabilities which are reported as other financing uses.

Like the government-wide financial statements, the enterprise fund is accounted for using a flow of economic resources measurement focus. This basis of accounting and measurement focus emphasizes the measurement of net income similar to the approach used by commercial enterprises, and revenues are recorded when earned and expenses are recorded when incurred. All assets and all liabilities associated with the operation of this fund are included on the statement of net position. The statement of changes in revenues, expenses, and changes in net position, presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the District finances and meets the cash flow needs of its enterprise fund. Under this basis of accounting and measurement focus, the District applies all GASB pronouncements.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

E. Budgets and Budgetary Accounting

With the exception of its proprietary fund (see *Note 7*) the District's budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. The level of control in the budget at which expenditures exceed appropriations is at the fund level. All annual appropriations lapse at fiscal year end.

Budget Calendar

As required by Colorado statutes, the District followed required timetables in preparing, approving, and enacting its budget for the ensuing year. The following is a summary of the budget calendar for the budget year:

1. Prior to October 10, the County Assessor sends the District the certified assessed valuation of all taxable property within the District's boundaries.
2. On or prior to October 15, the District Secretary submits to the District Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Within 10 days of submission a notice of the proposed budget is published.
3. Public hearings are conducted by the Board of Directors to obtain taxpayer comments.
4. Prior to December 15, the Board of Directors enacts a resolution setting the tax mill levy.
5. After the required public hearing, the Board of Directors adopts the proposed budget, by resolution, prior to December 31. A resolution legally appropriating expenditures for the upcoming year is also adopted.
6. After adoption of the budget ordinance, the District may make, by resolutions, the following changes: (a) supplemental appropriations of revenues to the extent of revenues in excess of the estimated budget; (b) emergency appropriations; and (c) reduction of appropriations for which originally estimated revenues are insufficient. At any time during the year, the Board may, by resolution, transfer part or all of any unexpended funds from one department, fund or office to another.
7. Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the total budget of any fund.
8. Budget appropriations lapse at the end of each year.

The District legally adopted annual budgets for all the District's funds. Budget amounts included in the financial statements are based on the final, legally adopted budget. No budget amendments were adopted.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

F. Fund Balance and Net Position

In the government-wide financial statements, net position is classified as follows:

Invested in Capital Assets, Net of Related Debt – this category groups all capital assets into one component. Accumulated depreciation and the outstanding debt balances that are attributable to (already invested in) the acquisition, construction or improvement of these assets reduce this category.

Restricted – assets are reported as *restricted* when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by various enabling legislation.

Unrestricted – represents the amount which is not restricted for any purpose. It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

In the governmental fund financial statements, fund balances are classified as follows:

Non-spendable – amounts that cannot be spent because they are either in non-spendable form such as inventory and prepaid expenses, or legally or contractually required to be maintained intact such as the corpus of permanently restricted funds to be retained in perpetuity. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale, when applicable.

Restricted – when constraints are placed on the use of resources either (a) externally imposed by creditors or (b) imposed by law through constitutional provisions or enabling legislation. Available fund balances of the Operations and Maintenance and Pump Reserve Funds are restricted for unforeseen expenses in accordance with an agreement with the U.S. Department of Interior. Also, as discussed in *Note 9*, Colorado voters passed an amendment to the State Constitution, one of the provisions of which requires local governments to establish an emergency reserve which is calculated at 3% of certain expenditures; these funds may only be expended in cases of emergencies as defined by the amendment and are used to fund appropriations only after unrestricted resources are depleted. This reserve has been recorded in the General Fund.

Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Board of Directors). These amounts cannot be changed except by taking the same type of action employed to previously commit these amounts. The District has no committed funds.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Assigned – amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the governing body itself, or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The District has no assigned amounts.

Unassigned – the residual for the general fund.

It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available. Committed and assigned amounts are considered to have been spent first when an expenditure is incurred for purposes for which such categories and unassigned amounts are available.

G. Cash and Investments

The District's policy in determining which items are treated as cash equivalents on the statement of cash flows for the enterprise fund include all cash, demand deposits, treasury bills and other short-term, highly liquid investments (including restricted assets) that are readily convertible to cash and have original maturities of three months or less.

Investments are reported at fair value which is determined using selected basis. Short-term investments are reported at cost which approximates fair value. Securities traded on a national or international exchange are valued at the last quoted market price. Cash deposits are reported at carrying amounts which reasonably estimates fair value. See additional required disclosures for cash and investments in *Note 2*.

H. Accounts Receivable

The District extends credit to customers, all of whom are engaged in agriculture near Silt, Colorado. The District also has amounts due from Farmers Irrigation Company for some cost sharing. Farmers Irrigation Company is an association of agricultural producers located near Silt, Colorado. The District considers all accounts receivable to be fully collectible.

I. Proprietary Funds – Contributed Capital

Grants and contributions in the enterprise fund which may be used for either operations or capital expenditures at the discretion of the District are recognized as non-operating revenues. If expenditure of funds is the prime factor for determining eligibility for contributed funds, revenue or contributed capital is recognized at the time of making the expenditure.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

J. Property Taxes Receivable and Deferred Inflows

Property taxes are due and attach as an enforceable lien on property as of January 1. Taxes may be paid in two equal payments. To avoid penalties, the first half must be paid on or before February 28 and the second half must be paid on or before June 15. The taxes may also be paid in one installment due April 30. All unpaid tax becomes delinquent on June 16. Property taxes are levied and collected on behalf of the District by Garfield County and are reported as revenue when received by the County Treasurer.

Deferred property taxes receivable represents the 2020 assessed tax to be collected in 2021 with an offset to deferred inflows.

K. Proprietary Funds – Unearned Revenue

The Water Fund bills for current services, therefore no unearned revenues have been accrued in the Water Fund.

L. Capital Assets/Depreciation

Capital assets purchased or acquired with an original cost in excess of the capitalization thresholds (office equipment \$2,500; mobile equipment \$5,000; capital improvements \$10,000) set by the District are reported at historical or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Utility System	10-40 years
Motorized Equipment	5 years
Tools and Equipment	5-7 years

Governmental funds depreciation expense is included in the water utility system function on the government-wide Statement of Activities.

M. Inter-fund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the fund providing services and as expenditures/expenses in the fund receiving services. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in the governmental funds and are non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

N. Internal Balances

During the year, the District has transactions between funds to finance operations and provide services and to allocate combined cash balances. To the extent that certain transactions between funds had not been paid or received as of year-end, balances of inter-fund amounts receivable or payable are recorded.

Inter-fund balances at December 31, 2020 are as follows:

	Receivables	Payables
General Fund	\$ -	\$ 207,487
Water Fund	207,487	-
Totals	\$ 207,487	\$ 207,487

Inter-fund balances within governmental activities are eliminated on the government-wide statement of net position.

O. Proprietary Funds – Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. These revenues are charges for utility services and expense reimbursements. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise funds.

P. Compensated Absences

The District does not provide for any sick or vacation benefits. Accordingly, no provision for accrued compensated absences is reflected in the accompanying financial statements.

Q. Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

R. Proprietary Funds- Statement of Cash Flows Supplemental Disclosures

For purposes of the statement of cash flows, the Water Activity Enterprise Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

S. Fair Values of Financial Instruments

The District reports its investments using the fair value measurements established by generally accepted accounting principles. As such, fair value hierarchy categorizes the inputs used to measure the fair value into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. At December 31, 2020, all investments consisted of money market accounts which are considered Level 1 cash and cash equivalents.

NOTE 2 - CASH AND INVESTMENTS

Deposits and Investments

In order to facilitate the recording of cash transactions and maximize interest earnings, the District has pooled cash deposits for all funds. The District maintains accountability for each fund's equity in pooled cash and investments. Interest earnings for combined funds are generally distributed based on monthly cash balances.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. The eligible depository is required to pledge to the Colorado Division of Banking a pool of collateral having a market value that at all times exceeds 102 percent of uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations of the United States, the State of Colorado, Local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. PDPA allows the institution to create a single collateral pool for all public funds. The pool is maintained by another institution or held in trust for all uninsured public deposits as a group. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. There is no custodial credit risk for public deposits collateralized under PDPA.

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security, meet the daily cash flow demands of the District, and conform to all federal, state and local statutes governing the investment of public funds. This policy applies to the investment of all financial assets of all funds of the District over which it exercises financial control. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States and certain U.S. government agency securities, including securities issued by FNMA (federal national mortgage association), GNMA (Governmental National Mortgage Association), FHLMC (Federal Home Loan Mortgage Corporation), the federal farm credit bank, the federal land bank, the export-import bank, and by the Tennessee Valley Authority, and certain international agency securities, including the World Bank.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 - CASH AND INVESTMENTS, continued

Deposits and Investments, continued

- . General obligation and revenue bonds of U.S. local government entities, the District of Columbia, and territorial possessions of the U.S. rated in the highest two rating categories by two or more nationally recognized rating agencies.
- . Bankers' acceptances of certain banks
- . Certain securities lending agreements
- . Commercial paper
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools
- . The investing local government's own securities including certificates of participation and lease obligations.

The District's bank deposits and investments were entirely covered by Federal Depository Insurance Corporation (FDIC), Security Investor Protection Corporation (SIPC) or collateralized under PDPA in accordance with state statute. At December 31, 2020 the District had bank balances of \$650,819, of which \$570,021 was covered by FDIC insurance, \$0 by SIPC insurance and \$80,798 by PDPA as described above.

Total Cash and Cash Equivalents

A summary of the District's cash and cash equivalents at December 31, 2020 are classified below:

Checking/Money Market	\$ 650,819
Net Outstanding Items	<u>(1,203)</u>
Total Cash and Cash Equivalents	<u>\$ 649,616</u>

Risk Disclosures

Additional investment and deposit disclosures for credit risk, interest rate risk, and foreign currency risk, as required by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, are included in the notes below.

To minimize custodial credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, state law limits District investments to those where the issuer is rated in one of the three highest rating categories by one or more nationally recognized organizations that rate such issuers. As of December 31, 2020, the District had no investments subject to custodial credit risk.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 - CASH AND INVESTMENTS, continued

Deposits and Investments, continued

The concentration of credit risk, or the risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when deposits are not diversified. The District's policy places no limit on the amount the District may invest in any one issuer; however, the District maintains general guidelines for investments to ensure proper diversification by security type and institution. All investments are issued or explicitly guaranteed by securities of the U.S. government, insured by the FDIC, the SIPC or by the Public Depository Protection Act, or are investments in mutual fund or external investment pools, and therefore are not subject to concentration of credit risk.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. As of December 31, 2020, the District had no investments that were subject to interest rate risk as described above.

The District was not subject to foreign currency risk as of December 31, 2020.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for Governmental Activities for the year ended December 31, 2020, was as follows:

	<u>Balances</u> <u>01/01/20</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances</u> <u>12/31/20</u>
<i>GOVERNMENTAL ACTIVITIES</i>				
Non-Depreciable Assets:				
Easements	\$ 10,793	\$ -	\$ -	\$ 10,793
Construction in Process	-	-	-	-
Depreciable Assets:				
Infrastructure	210,481	-	-	210,481
Pump House	24,722	-	-	24,722
Equipment	<u>203,905</u>	<u>-</u>	<u>-</u>	<u>203,905</u>
Total at Historical Cost	<u>449,901</u>	<u>-</u>	<u>-</u>	<u>449,901</u>
<i>Less Accumulated Depreciation:</i>				
Infrastructure	(7,016)	(7,016)	-	(14,032)
Pump House	(24,311)	(411)	-	(24,722)
Equipment	<u>(173,322)</u>	<u>(9,300)</u>	<u>-</u>	<u>(182,622)</u>
Total Accumulated Depreciation	<u>(204,649)</u>	<u>(16,727)</u>	<u>-</u>	<u>(221,376)</u>
Governmental Activities Capital Assets, Net	<u>\$ 245,252</u>	<u>\$ (16,727)</u>	<u>\$ -</u>	<u>\$ 228,525</u>

For the fiscal year ended December 31, 2020, depreciation expense in the amount of \$16,727 has been included in the Statement of Activities.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 - CAPITAL ASSETS – continued

Capital asset activity for Business-Type Activities for the year ended December 31, 2020, was as follows:

	Balances 01/01/20	Additions	Retirements	Balances 12/31/20
<i>BUSINESS- TYPE ACTIVITIES</i>				
Utility System	\$1,410,387	\$ -	\$ -	\$ 1,410,387
Vehicles and Equipment	<u>236,637</u>	<u>33,996</u>	<u>-</u>	<u>270,633</u>
Total at Historical Cost	<u>1,647,024</u>	<u>33,996</u>	<u>-</u>	<u>1,681,020</u>
<i>Less Accumulated Depreciation:</i>				
Utility System	\$(539,048)	\$ (46,806)	\$ -	\$ (585,854)
Vehicles and Equipment	<u>(213,954)</u>	<u>(11,243)</u>	<u>-</u>	<u>(225,197)</u>
Total Accumulated Depreciation	<u>(753,002)</u>	<u>(58,049)</u>	<u>-</u>	<u>(811,051)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 894,022</u>	<u>\$ (24,053)</u>	<u>\$ -</u>	<u>\$ 869,969</u>

For the fiscal year ended December 31, 2020, depreciation expense in the amount of \$58,049 has been included in the Statement of Activities.

NOTE 4 - LONG TERM DEBT OBLIGATIONS

GOVERNMENTAL ACTIVITIES:

Changes in the District’s long-term obligations during the fiscal year ended December 31, 2020 are as follows:

	Balances 01/01/20	Additions	Reductions	Balances 12/31/20	Amounts Due Within One Year
<u>Contract Payable:</u>					
U.S. Department of Interior	<u>\$ 38,400</u>	<u>\$ -</u>	<u>\$ (38,400)</u>	<u>\$ -</u>	<u>\$ -</u>

A contract was executed on June 24, 1963, and amended July 9, 1968, between the United States Department of the Interior and the Silt Water Conservancy District. In accordance with the contract, the United States would construct the Silt Project for the diversion, storage and distribution of water of the Rifle Creek watershed and Colorado River for irrigation, wildlife, fish and recreation purposes. In accordance with the contract, the District had a repayment obligation of \$960,000, payable in fifty successive equal annual installments of \$19,200 commencing December 31, 1971. However, the District may elect a variable payment formula with full repayment within the fifty-year period. Title to the project works, constructed or acquired, remains with the United States. The entire debt was paid off in 2020.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 - LONG TERM DEBT OBLIGATIONS, continued

BUSINESS TYPE ACTIVITIES:

	Balances 01/01/20	Additions	Reductions	Balances 12/31/20	Amounts Due Within One Year
Intergovernmental Loan:					
CWCB Loan	\$ 800,216	\$ -	\$ (31,326)	\$ 768,890	\$ 32,109
Inter-fund Loan	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>
Total Business Type Long-term Obligations					
	<u>\$ 805,216</u>	<u>\$ -</u>	<u>\$ (36,326)</u>	<u>\$ 768,890</u>	<u>\$ 32,109</u>

The District entered into a loan agreement dated January 9, 2004, and amended on January 15, 2009, between the Colorado Water Conservation Board and the Silt Water Conservancy District Water Activity Enterprise for the rehabilitation of infrastructures that includes reservoirs, canals, pump plants and irrigation laterals varying in age from 50 to 100 years old. The Colorado Water Conservation Board approved a loan to the Silt Water Conservancy District with a maximum amount of \$1,515,000 for 90% of the project costs and a 1% loan service charge, with interest at 2.5% per annum and a repayment term of 30 years. In 2009, the project was completed and the District had drawn \$1,074,385 on the loan which is secured by water user charges and fees.

The annual requirements to amortize the Loan are as follows:

	Principal	Interest	Totals
2021	\$ 32,109	\$ 19,222	\$ 51,331
2022	32,912	18,420	51,332
2023	33,735	17,597	51,332
2024	34,578	16,753	51,331
2025	35,443	15,889	51,332
2026-2030	190,956	65,702	256,658
2031-2035	216,049	40,609	256,658
2036-2039	193,108	12,218	205,326
	<u>\$ 768,890</u>	<u>\$ 206,410</u>	<u>\$ 975,300</u>

The District's Water Activity Enterprise Fund entered into a loan agreement dated December 1, 2009, with the Silt Water Conservancy District General Fund in the amount of \$50,000 to be used for general water activity operations. The loan carries an interest rate of 0% and is payable in 10 annual installments due December 1. The final payment was made in 2020.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5 - FUND BALANCES

Restrictions of fund balances of governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify a portion of the fund balance that is only appropriable for specific expenditures. Specific restrictions of the fund balance accounts follow:

Emergency Reserves – As disclosed in *Note 9*, Colorado voters passed an amendment to the State Constitution. One of the provisions of this amendment requires local governments to establish an emergency reserve which is calculated at 3% of certain expenditures. These funds may only be expended in cases of emergencies as defined by the amendment.

Operations and Maintenance Fund – As required by the contract with the U.S. Department of the Interior, the District has established a fund to be used for extraordinary and unforeseen costs of operation and maintenance of the project works. The fund is required to be maintained at a minimum amount of \$13,000. In the event the reserve fund balance falls below \$13,000, the District is required to contribute the lesser of \$2,000 per year or the amount necessary to maintain the required minimum balance of \$13,000. The entire fund balance in the amount of \$4,789 is restricted.

Pump Reserve Fund – As required by the contract with the U.S. Department of the Interior, the District has established a fund to provide for the replacement of major parts connected with the pumping operations. Annual deposits in an amount no less than \$610 are to be made to this fund and accumulated throughout the contract repayment period. The entire fund balance in the amount of \$38,094 is restricted.

NOTE 6- RISK MANAGEMENT

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 has elected to participate in the Colorado Special Districts Property and Liability Pool (the Pool) which is sponsored by the Special District Association (SDA) of Colorado. The Pool provides property and general liability, automobile physical damage and liability, public official's liability and machinery coverage to its members. There have been no significant reductions in coverage from the prior year and settled claims have not exceeded coverage in the last three years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated 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 Pool made no distributions to the District in the year ended December 31, 2020.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 7 - PROPRIETARY FUND BUDGETS

Budgets for proprietary funds are adopted on a basis that is not consistent with GAAP but, instead, adopts the spending measurement focus of governmental funds. The following is a budgetary comparison for the proprietary fund and a summary of the adjustments necessary to convert to the budgetary basis from GAAP:

<u>Revenues</u>	Water Enterprise Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
GAAP Operating Revenues	\$ 352,586	\$ 435,097	\$ 82,511
GAAP Non-Operating Revenues	20,000	20,005	5
Total Budgetary Based Revenues	\$ 372,586	\$ 455,102	\$ 82,516
 <u>Expenses</u>			
GAAP Operating Expenses	\$ 298,429	\$ 411,086	\$ (112,657)
GAAP Non-Operating Expenses	20,006	19,809	197
Less: Depreciation	-	(58,049)	58,049
Interest Accrual	-	196	(196)
Principal Payments	36,326	36,326	-
Capital Outlay	17,500	33,996	(16,496)
Total Budgetary Based Expenses	\$ 372,261	\$ 443,364	\$ (71,103)

NOTE 8 - RELATED PARTIES

In 1964, the District entered into a contract with Farmers Irrigation Company (FICO). Among other things, the agreement sets out rights and obligation of jointly used facilities and cost sharing of the operations and maintenance of the facilities. Board members of FICO are elected by FICO shareholders. The District's financial statements reflect revenues in the amounts of \$12,918 and \$54,015 in Governmental and Proprietary Fund types respectively.

The cost sharing transactions for 2020 are summarized as follows:

Amount due the District at January 1, 2020	\$ 49,916
Amount due the District for 2020 cost sharing	17,017
Payments made by FICO	(60,963)
Amount due the District at December 31, 2020	\$ 5,970

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 9 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

TABOR Amendment – Revenue and Spending Limitation Agreement

In November 1992 the voters of Colorado approved an Amendment to the State Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), which added Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all Colorado local governments.

The initial base for local government spending and revenue limits was June 30, 1993 Fiscal Year Spending. Future 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.

TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The required reserve at December 31, 2020 is approximately \$4,500.

TABOR requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. Except for bond refinancing at a lower interest rate or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments. In 2014 the Districts electorate voted to allow the District to collect, retain, and expend revenues not withstanding any of Tabor's restrictions.

The District's management believes it is in compliance with the financial 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 of a fund as an Enterprise Fund) will require judicial interpretation.

NOTE 10 - CONTINGENCIES

During the normal course of business, the District incurs claims and other assertions against it from various agencies and individuals. Management of the District and their legal representatives believe their outcome will not materially affect the fairness of the presentation of the financial statements at December 31, 2020.

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 11 - SUBSEQUENT EVENTS

Management has evaluated events subsequent to December 31, 2020 through the issuance date of this report. In early 2020 a worldwide pandemic arose caused by the coronavirus Covid-19 and is ongoing into 2021, which has impacted the general operations of the District. The District's management and Board of Directors has acknowledged the threat of the coronavirus; however, the long-term impact on operations is currently unknown as of the date of the auditor's report. There have been no additional material events noted during this period that would impact the result reflected in this report or the District's results going forward.

NOTE 12 - BUDGETARY COMPLIANCE

The District's Proprietary Fund budgetary expenditures of \$443,364 exceeded budgetary appropriations of \$372,261 in the amount of \$71,103 resulting from Capital Projects not included in the final budgetary appropriation. This may not be in compliance with Colorado Revised Statutes.

REQUIRED SUPPLEMENTAL INFORMATION

BUDGETARY COMPARISON SCHEDULES FOR THE

GENERAL FUND AND SPECIAL REVENUE FUNDS

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2020

	Budgeted Amounts Original & Final	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
Taxes			
Property Taxes	\$ 147,607	\$ 143,888	\$ (3,719)
Specific Ownership Taxes	8,600	9,753	1,153
Delinquent Taxes - Interest	<u>350</u>	<u>360</u>	<u>10</u>
Total Taxes	<u>156,557</u>	<u>154,001</u>	<u>(2,556)</u>
Intergovernmental Revenues			
State and Local Grants	<u>70,000</u>	<u>7,060</u>	<u>(62,940)</u>
Charges for Services			
Farmers Irrigation Company - Share of Operations and Maintenance	<u>28,000</u>	<u>12,918</u>	<u>(15,082)</u>
Interest			
Interest on Deposits	<u>-</u>	<u>23</u>	<u>23</u>
Miscellaneous			
Miscellaneous	3,500	6,801	3,301
Inter-fund Loan Proceeds	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total Miscellaneous	<u>8,500</u>	<u>11,801</u>	<u>3,301</u>
TOTAL REVENUES	<u>263,057</u>	<u>185,803</u>	<u>(77,254)</u>

EXPENDITURES:

Administration			
Directors Fees	18,000	9,400	8,600
Professional Services	115,000	47,113	67,887
Security System	500	113	387
Office Expense and Telephone	7,100	5,991	1,109
Insurance and Bonds	3,000	-	3,000
Energy and Power	-	1,104	(1,104)
Miscellaneous	1,500	1,496	4
Treasurer Fees	4,000	2,933	1,067
Salary – Manager	28,661	26,809	1,852
Salary – Secretary	18,080	19,486	(1,406)
Payroll Taxes	4,200	3,726	474
Employee Health	<u>6,100</u>	<u>4,560</u>	<u>1,540</u>
Total Administration	<u>206,141</u>	<u>122,731</u>	<u>83,410</u>

Continued on next page:

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2020

	Budgeted Amounts Original & Final	Actual	Variance Favorable (Unfavorable)
	<u> </u>	<u> </u>	<u> </u>
<u>EXPENDITURES (continued):</u>			
Capital Outlay			
Capital Outlay	\$ 14,000	\$ -	\$ 14,000
Capital Projects	<u> -</u>	<u> 7,060</u>	<u> (7,060)</u>
Total Capital Outlay	<u> 14,000</u>	<u> 7,060</u>	<u> 6,940</u>
Debt Service	<u> 19,200</u>	<u> 38,400</u>	<u> (19,200)</u>
Emergency Reserve	<u> -</u>	<u> -</u>	<u> -</u>
TOTAL EXPENDITURES	<u> 239,341</u>	<u> 168,191</u>	<u> 71,150</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u> 23,716</u>	<u> 17,612</u>	<u> (6,104)</u>
OTHER FINANCING SOURCES (USES):			
Transfers to Other Funds	<u> (22,610)</u>	<u> (22,610)</u>	<u> -</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u> (22,610)</u>	<u> (22,610)</u>	<u> -</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,106	(4,998)	(6,104)
FUND BALANCES - BEGINNING	<u> 332,287</u>	<u> 339,726</u>	<u> 7,439</u>
FUND BALANCES - ENDING	<u> \$ 333,393</u>	<u> \$ 334,728</u>	<u> \$ 1,335</u>

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
SPECIAL REVENUE FUND – OPERATION AND MAINTENANCE
For the Year Ended December 31, 2020

	<u>Budgeted Amounts Original & Final</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES:</u>			
Interest	\$ -	\$ -	\$ -
Expenditure Reimbursement – FICO	-	-	-
State – Local Grants	<u>-</u>	<u>-</u>	<u>-</u>
 TOTAL REVENUES	 <u>-</u>	 <u>-</u>	 <u>-</u>
<u>EXPENDITURES:</u>			
Repairs and Maintenance	<u>-</u>	<u>-</u>	<u>-</u>
 TOTAL EXPENDITURES	 <u>-</u>	 <u>-</u>	 <u>-</u>
 EXCESS REVENUES OVER (UNDER) EXPENDITURES	 -	 -	 -
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers from Other Funds	<u>610</u>	<u>610</u>	<u>-</u>
 EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 610	 610	 -
 FUND BALANCES – BEGINNING	 <u>38,704</u>	 <u>38,704</u>	 <u>-</u>
 FUND BALANCES – ENDING	 <u>\$ 39,314</u>	 <u>\$ 39,314</u>	 <u>\$ -</u>

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
SPECIAL REVENUE FUND – PUMP RESERVE
For the Year Ended December 31, 2020

	<u>Budgeted Amounts Original & Final</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES:</u>			
Interest	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXPENDITURES:</u>			
Repairs and Maintenance	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	-	-	-
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers from Other Funds	<u>2,000</u>	<u>2,000</u>	<u>-</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,000	2,000	-
FUND BALANCES – BEGINNING	<u>6,789</u>	<u>6,789</u>	<u>-</u>
FUND BALANCES – ENDING	<u>\$ 8,789</u>	<u>\$ 8,789</u>	<u>\$ -</u>

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

OTHER SUPPLEMENTAL INFORMATION

SILT WATER CONSERVANCY DISTRICT
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2020

	Special Revenue Funds		
	Operation and Maintenance Fund	Pump Reserve Fund	Total
<u>Assets:</u>			
Current Assets:			
Cash	\$ 8,789	\$ 39,314	\$ 48,103
Total Assets	\$ 8,789	\$ 39,314	\$ 48,103
<u>Liabilities and Fund Balance</u>			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Fund Equity:			
Fund Balances - Restricted	8,789	39,314	48,103
Total Liabilities and Fund Balances	\$ 8,789	\$ 39,314	\$ 48,103

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

SILT WATER CONSERVANCY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2020

	Special Revenue Funds		
	Operation and Maintenance Fund	Pump Reserve Fund	Total
<u>REVENUES:</u>			
Interest	\$ -	\$ -	\$ -
Expenditures Reimbursement	-	-	-
State & Local Grants	-	-	-
Total Revenues	-	-	-
<u>EXPENDITURES:</u>			
Repairs and Maintenance	-	-	-
Total Expenditures	-	-	-
Excess Revenues Over (Under) Expenditures	-	-	-
<u>OTHER FINANCING SOURCES AND (USES):</u>			
Transfers from Other Funds	2,000	610	2,610
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	2,000	610	2,610
Fund Balances – Beginning	6,789	38,704	40,273
Fund Balances – Ending	\$ 8,789	\$ 39,314	\$ 42,883

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

SILT WATER CONSERVANCY DISTRICT
SCHEDULE OF BUDGETARY BASED REVENUES AND EXPENDITURES
BUDGET TO ACTUAL COMPARISON
PROPRIETARY FUND
For the Year Ended December 31, 2020

	Budgeted Amounts Original & Final	Actual	Variance Favorable (Unfavorable)
<u>Budgetary Revenues:</u>			
Acre Feet Assessment	\$ 262,768	\$ 269,284	\$ 6,516
Extra Water Sales	14,000	26,199	12,199
Water Assessment Interest	250	2,564	2,314
Expenditure Reimbursements:			
Farmers Irrigation Company	55,000	54,015	(985)
State & Legal Grants	-	43,726	43,726
West Divide Water Conservancy	3,718	3,983	265
Intergovernmental State and Local Grants	15,000	32,826	17,826
Transfer Fees	1,000	2,500	1,500
Miscellaneous Income	850	-	(850)
Interest Income	-	5	5
Inter-fund Transfers	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Budgetary Based Revenue	<u>372,586</u>	<u>455,102</u>	<u>82,516</u>
<u>Budgetary Expenditures:</u>			
Office Expense and Telephone	9,050	9,530	(480)
Insurance and Bonds	28,016	24,756	3,260
Payroll Taxes	8,256	7,178	1,078
Employee Health Insurance	21,000	10,663	10,337
Miscellaneous Expenses	1,000	-	1,000
Salaries and Wages	94,857	88,373	6,484
Security System	1,250	1,133	117
Operation and Maintenance	75,000	37,973	37,027
Energy and Power	55,000	50,207	4,793
Treasurer Fees	5,000	5,437	(437)
Interest Expense	20,006	20,005	1
Infrastructure Replacement	15,000	12,473	2,527
Capital Outlay	2,500	33,996	(31,496)
Capital Projects	-	105,314	(105,314)
CWCB Loan Repayment	31,326	31,326	-
Inter-fund Loan Repayment	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total Budgetary Based Expenditures	<u>372,261</u>	<u>443,364</u>	<u>(71,103)</u>
Budgetary Based Revenues Over (Under) Expenditures	325	11,738	(11,413)
Beginning Available Funds	<u>284,368</u>	<u>287,423</u>	<u>(3,055)</u>
Ending Available Funds	<u>\$ 284,693</u>	<u>\$ 299,161</u>	<u>\$ (14,468)</u>

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