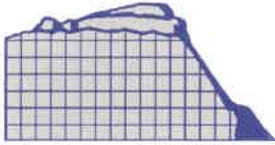


Upper Gunnison River Water Conservancy District
Financial Statements
December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Upper Gunnison River Water Conservancy District
Gunnison, Colorado

I have audited the accompanying financial statements of the governmental activities and business-type activities of Upper Gunnison River 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 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the business-type activities of the Upper Gunnison River Water Conservancy District, as of December 31, 2020, and the respective changes in financial position and, 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 information and the actual to budget schedules on pages 3-10 and 27 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I 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

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Upper Gunnison River Water Conservancy District's financial statements taken as a whole. The budgetary comparison information on page 28 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 prepared 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 my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Paul D. Miller, CPA, LLC

Grand Junction, CO
June 11, 2021

Upper Gunnison River Water Conservancy District
Management's Discussion and Analysis
December 31, 2020

As management of the Upper Gunnison River Water Conservancy District, (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the District.

General Background

The Upper Gunnison River Water Conservancy District was formed pursuant to the Colorado Water Conservancy Act, Sections 37-45-101 et seq., C.R.S. The original organizational decree was entered June 1, 1959, with reorganization decrees entered in October 1991 and November 2011. The District boundaries include all the Upper Gunnison River basin drainage, which is made up of the majority of Gunnison County and portions of Hinsdale and Saguache Counties. The Water Conservancy Act gives the District fairly broad powers. The District can appropriate water, litigate, enter into contracts, hold real property, operate projects, and perform other functions as needed to meet the present and future water needs of the District. The 2011 reorganization shifted a boundary line between Divisions 4 and 5 and added a second director to Division 5 based on the 2010 U.S. Census data. This resulted in a temporary increase from eleven to twelve directors. When a vacancy subsequently arose in Division 8, City of Gunnison, the number of directors in that division decreased from four to three and the total number of directors reverted to eleven.

The District's mission is to be an active leader in all issues affecting the water resources of the Upper Gunnison River Basin.

An eleven-member Board of Directors governs the District. Each member of the Board of Directors serves a four-year term. The terms are staggered with no more than four seats open in any given year. The Board utilizes committees to assist in resolving specific issues affecting the District. Regular meetings of the Board are generally held on the fourth Monday of each month. The Board also holds special meetings and work sessions, as necessary.

A staff of five, consisting of a general manager, office manager, water resource specialist, administrative assistant, and general counsel, along with contracted engineering consultants, carries out the activities of the District as directed by the Board.

FINANCIAL HIGHLIGHTS

- The District's assets exceeded its liabilities by \$6,246,830 (i.e., net position) as of December 31, 2020, an increase of \$304,736 in comparison to the prior year.
- The District's Net Position for the General Fund was \$5,188,470, an increase of \$22,929 in comparison to the prior year.
- General property taxes totaled \$1,325,735 or 88% of general revenues.

Upper Gunnison River Water Conservancy District
Management's Discussion and Analysis
December 31, 2020

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner like a private-sector business.

The **statement of net position** presents information on all the District's assets and liabilities, with the difference between the two being reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The **statement of activities** presents information showing how the District's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods (e.g., uncollected taxes and earned but unused personal time).

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the District include general government administration. The Business-type Activities of the District include the following water enterprise fund.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The District's funds can be divided into two categories: Governmental Funds and Proprietary Funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the

Upper Gunnison River Water Conservancy District
Management's Discussion and Analysis
December 31, 2020

Governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains one governmental fund, the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund.

Proprietary Funds – The District maintains one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The District uses a separate enterprise fund to account for its utility fund: Water Enterprise Fund.

Notes to Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted previously, net position may serve over time as a useful indicator of the District's financial position. For the year ended December 31, 2020, the District's combined assets exceeded liabilities by \$6,246,830. Of this amount, \$4,652,183 is unrestricted and available to meet the District's ongoing financial obligations.

A portion of Net Position is the investment in capital assets (net of related debt) of \$1,543,398 (25% of Net Position). This amount reflects the investment in all capital assets (e.g., infrastructure, land, dams, reservoirs, and office equipment) less any related debt used to acquire those assets that is 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.

Upper Gunnison River Water Conservancy District
Management's Discussion and Analysis
December 31, 2020

The following table summarizes the District's governmental and business-type Net Position for 2019 and 2020:

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2020	2019	2020	2019	2020	2019
Assets						
Current and other assets	\$ 4,072,040	\$ 3,813,415	\$ 133,848	\$ 86,766	\$ 4,205,888	\$ 3,900,181
Capital assets	-	-	1,007,042	1,010,271	1,618,398	1,629,434
Long-term Investments	2,006,161	1,851,911	-	-	2,006,161	1,851,911
Total assets	<u>6,078,201</u>	<u>5,665,326</u>	<u>1,140,890</u>	<u>1,097,037</u>	<u>7,830,447</u>	<u>7,381,526</u>
Current Liabilities	145,760	46,994	7,530	5,484	153,290	52,478
Non-current liabilities						
Compensated absences	-	-	-	-	50,545	38,182
Loans payable	-	-	75,000	75,000	75,000	75,000
Total liabilities	<u>145,760</u>	<u>46,994</u>	<u>82,530</u>	<u>80,484</u>	<u>278,835</u>	<u>165,660</u>
Deferred Inflow of Resources						
Property taxes	1,304,782	1,282,285	-	-	1,304,782	1,282,285
Net Position						
Investment in capital assets, net of related debt	-	-	932,042	935,271	1,543,398	1,554,434
Restricted	51,249	51,249	-	-	51,249	51,249
Unrestricted	4,576,410	4,284,798	126,318	81,282	4,652,183	4,327,898
Total net position	<u>\$ 4,627,659</u>	<u>\$ 4,336,047</u>	<u>\$ 1,058,360</u>	<u>\$ 1,016,553</u>	<u>\$ 6,246,830</u>	<u>\$ 5,933,581</u>

An additional portion of net position, \$51,249, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$4,652,183 (74% of Net Position), may be used to meet the government's ongoing obligations to citizens and creditors.

Change in Net Position

Governmental and business-type activities increased the District's Net Position by \$41,807 in 2020.

Upper Gunnison River Water Conservancy District
Management's Discussion and Analysis
December 31, 2020

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues						
Charges for services	\$ 266,943	\$ 293,185	\$ 73,458	\$ 33,229	\$ 340,401	\$ 326,414
General Revenues						
Taxes	1,415,167	1,206,246	-	-	1,415,167	1,206,246
Miscellaneous	6,930	2,372	-	-	6,930	2,372
Interest income	82,900	89,225	287	907	83,187	90,132
Lake San Cristobal	-	-	-	-	-	-
Totals	1,771,940	1,591,028	73,745	34,136	1,845,685	1,625,164
Expenses						
Salaries & Benefits	502,303	505,869	23,185	23,116	521,027	521,027
Public Outreach	16,676	24,509	-	-	16,676	24,509
Legal & Accounting	5,188	5,079	257	236	5,445	5,315
Occupancy Expenses	14,435	14,493	617	662	15,052	15,155
Bonding & Insurance	9,592	9,701	1,026	1,000	10,618	10,701
Office Expense	94,375	82,490	2,942	1,743	97,317	84,233
Board of Directors Expenses	5,778	10,978	263	522	6,041	11,500
Board of Directors Fees	12,160	6,680	-	-	12,160	6,680
General & administrative	24,256	39,969	314	1,634	24,570	41,603
Membership & Dues	6,091	5,963	-	-	6,091	5,963
Stream Monitoring	137,808	111,747	-	-	137,808	111,747
Bad Debts	13,421	3,500	-	-	13,421	3,500
Taylor Park Project	6,377	7,277	-	-	6,377	7,277
Basin Planning & Development	212,771	330,332	-	-	212,771	330,332
Fish Recovery Program	3,000	3,000	-	-	3,000	3,000
Water Costs & Supply Program	258,337	136,123	-	-	258,337	136,123
Lake San Cristobal	13,464	13,464	-	-	13,464	13,464
Cloud Seeding Program	128,658	111,281	-	-	128,658	111,281
Repairs & Maintenance	-	-	105	23	105	23
Capital Outlays	15,638	27,534	-	-	-	-
Depreciation Expense	-	-	3,229	3,229	27,249	26,979
Total Expenses	1,480,328	1,449,989	31,938	32,165	1,516,187	1,470,412
Increase in net assets	291,612	141,039	41,807	1,971	329,498	154,752
Beginning	4,336,047	4,195,008	1,016,553	1,014,582	5,942,094	5,787,342
Ending	\$ 4,627,659	\$ 4,336,047	\$ 1,058,360	\$ 1,016,553	\$ 6,271,592	\$ 5,942,094

Upper Gunnison River Water Conservancy District
Management's Discussion and Analysis
December 31, 2020

Business-type Activities

Business-type activities for the year resulted in an increase in Net Position of \$441,807. Charges for services accounted for 100% of total revenues.

FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

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. Unreserved net position may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The District has one governmental fund, the General Fund, which is the primary operating fund for the District. At the end of 2020, unassigned net position of the General Fund was \$4,567,688 while the total fund balance was \$4,627,659. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned net position and total net position to total fund expenditures. The net position of the District's General Fund increased by \$291,612 during 2020.

Proprietary funds. The District's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The District has one enterprise fund: Water Enterprise Fund. At the end of 2020, the fund represented the following net position amounts:

Fund:	Water
Unrestricted net position	\$ 126,318
Total net position	\$ 1,058,360
Increase in net position	\$ 41,807

GENERAL FUND BUDGETARY HIGHLIGHTS

The District budgeted \$1,902,649 for 2020 expenditures. Actual expenditures were \$1,480,328. There was no amendment to the original budget for the General Fund or the Enterprise Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

The District's investment in capital assets for its governmental and business-type activities as of December 31, 2020, was \$1,618,398.

Upper Gunnison River Water Conservancy District
Management's Discussion and Analysis
December 31, 2020

	Balance 12/31/2019	Increase	Decrease	Balance 12/31/2020
<u>Governmental Funds</u>				
Buidling and Land	\$ 759,424	\$ -	\$ -	\$ 759,424
Office Equipment	50,829	-	-	50,829
Projects in process	-	15,637	-	15,637
Less Accumulated Depreciation	(190,514)	(24,020)	-	(214,534)
Net Governmental Capital Assets	<u>\$ 619,739</u>	<u>\$ (8,383)</u>	<u>\$ -</u>	<u>\$ 595,719</u>
<u>Business-type Activities</u>				
Asset not being depreciated	\$ 942,457	\$ -	\$ -	\$ 942,457
Asset being depreciated				
Dam Rehabilitation	113,024	-	-	113,024
Less Accumulated Depreciation	(45,210)	(3,229)	-	(48,439)
Net Depreciable Capital Assets	<u>67,814</u>	<u>(3,229)</u>	<u>-</u>	<u>64,585</u>
Total Business-type Capital Assets	<u>\$ 1,010,271</u>	<u>\$ (3,229)</u>	<u>\$ -</u>	<u>\$ 1,007,042</u>

Economic Factors and Next Year's Budget

Several areas of the economy of the region comprising the District, were impacted in 2020 by public health restrictions associated with the novel coronavirus pandemic and temporary business closures or restrictions. Local governments were anticipating lower tax revenue due to the virus' impact to our tourism-based economy. Contrary to thinking, the community saw higher tax revenue than previous non-pandemic years as we experienced a huge influx of visitors to the basin (especially in the summer tourist season) who were frequenting hotels and restaurants and who were staying in the basin to participate in perceived "safer" outdoor activities like camping, biking, hiking, fishing, boating, etc., within our community.

General fund revenues increased by approximately \$209,000 in 2020. We had only one active foreclosure and observed a reduction in available single-family homes on the market and an increase in the sales of vacant land/lots. Market prices also significantly increased.

With regard to 2020 District operations during the pandemic, we had all staff back in the office in late January when the County returned to BLUE and with all appropriate required safety precautions. The District also completed necessary and important upgrades to our audio-visual system capabilities in January which facilitated our ability to continue to conduct District business via remote meetings.

In 2022, we anticipate some increase in general fund revenues due to an increase in residential property assessment values in 2020.

As a final matter of note, the Lake San Cristobal Water Activity Enterprise Board (LSCWAE or Enterprise) requested that the District complete a financial audit of the Enterprises' financial statements. As background, the Enterprise is supported jointly by the Upper Gunnison District, Hinsdale County, and the Town of Lake City. The purpose of the Enterprise is to provide water stored in Lake San Cristobal for use as replacement water to permit out-of-priority depletions by wells or other diversion structures that would otherwise be curtailed by downstream calls from senior water rights or senior instream flow water rights. The Enterprise is governed by a six-member board that includes two members from each of the three partner entities. The Enterprise had a clean financial audit.

Request for Information

The financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to General Manager, Upper Gunnison River Water Conservancy District, 210 West Spencer Avenue, Suite B, Gunnison, CO. 81230 or 970-641-6065, 970-641-1162 (fax), schavez@ugrwc.org

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Government-Wide
Statement of Net Position
December 31, 2020

	Primary Government		Totals
	Governmental Activities	Business Type Activities	
Assets			
Current Assets:			
Cash & equivalents	\$ 239,491	\$ 94,229	\$ 333,720
Certificates of deposits	1,073,587	-	1,073,587
Investments-ColoTrust	1,332,607	39,590	1,372,197
Loans receivable	75,000	-	75,000
Accounts receivable	23,704	29	23,733
Due from other Governments	9,954	-	9,954
Property taxes Receivable	1,304,782	-	1,304,782
Accrued Interest Receivable	4,193	-	4,193
Prepaid expenses	8,722	-	8,722
Total Current Assets	4,072,040	133,848	4,205,888
Long-term Investments:			
Bonds	2,006,161	-	2,006,161
Capital Assets:			
Office equipment	66,467	-	66,467
Office building & land	759,424	-	759,424
Dam rehabilitation	-	113,024	113,024
Meridian Lake Reservoir	-	942,457	942,457
Less accumulated depreciation	(214,535)	(48,439)	(262,974)
Net Capital Assets	611,356	1,007,042	1,618,398
TOTAL ASSETS	6,689,557	1,140,890	7,830,447
Liabilities			
Accounts payable	145,760	7,530	153,290
Noncurrent Liabilities:			
Compensated absences	50,545	-	50,545
Due beyond one year	-	75,000	75,000
TOTAL LIABILITIES	196,305	82,530	278,835
Deferred Inflow of Resources			
Property taxes	1,304,782	-	1,304,782
Net Position			
Investment in capital assets	611,356	932,042	1,543,398
Restricted for TABOR reserve	51,249	-	51,249
Unrestricted	4,525,865	126,318	4,652,183
TOTAL NET POSITION	\$ 5,188,470	\$ 1,058,360	\$ 6,246,830

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

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Government-Wide
Statement of Activities
December 31, 2020

	Primary Government		
	Governmental Activities	Business Type Activities	Totals
Expenses Programs			
Salaries & Benefits	\$ 522,604	\$ 23,185	\$ 545,789
Public Outreach	16,676	-	16,676
Legal & Accounting	5,188	257	5,445
Occupancy Expenses	14,435	617	15,052
Bonding & Insurance	9,592	1,026	10,618
Office Expense	94,375	2,942	97,317
Board of Directors Expenses	5,778	263	6,041
Board of Directors Fees	12,160	-	12,160
General & administrative	24,256	314	24,570
Membership & Dues	6,091	-	6,091
Stream Monitoring	137,808	-	137,808
Bad Debts	13,421	-	13,421
Taylor Park Project	6,377	-	6,377
Basin Planning & Development	212,771	-	212,771
Fish Recovery Program	3,000	-	3,000
Water Costs & Supply Program	258,337	-	258,337
Cloud Seeding Program	128,658	-	128,658
Lake San Cristobal	13,464	-	13,464
Repairs & Maintenance	-	105	105
Depreciation Expense	24,020	3,229	27,249
TOTAL PROGRAM EXPENSES	<u>1,509,011</u>	<u>31,938</u>	<u>1,540,949</u>
Program Revenue			
Basin wide Planning	92,640	-	92,640
Cloud Seeding Program	121,750	-	121,750
Charges for services	52,553	73,458	126,011
Total Program Revenue	<u>266,943</u>	<u>73,458</u>	<u>340,401</u>
NET PROGRAM REVENUE(EXPENSES)	<u>(1,242,068)</u>	<u>41,520</u>	<u>(1,200,548)</u>
General Revenues			
Property taxes	1,325,735	-	1,325,735
Specific Ownership taxes	89,432	-	89,432
Interest on deposits and investments	82,900	287	83,187
Miscellaneous	6,930	-	6,930
TOTAL GENERAL REVENUES	<u>1,504,997</u>	<u>287</u>	<u>1,505,284</u>
Change in Net Position	262,929	41,807	304,736
Net Position - January 1	4,925,541	1,016,553	5,942,094
Net Position - December 31	<u>\$ 5,188,470</u>	<u>\$ 1,058,360</u>	<u>\$ 6,246,830</u>

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

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
 Balance Sheet - General Fund
 December 31, 2020

Assets

Current Assets:

Cash & equivalents	\$	239,491
Certificates of deposits		1,073,587
Investment-ColoTrust		1,332,607
Loans receivable		75,000
Accounts receivable		23,704
Due from other Governments		9,954
Property taxes receivable		1,304,782
Accrued interest receivable		4,193
Prepaid expense		8,722

Total Current Assets

4,072,040

Long-term investments:

Bonds		2,006,161
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TOTAL ASSETS

6,078,201

Liabilities

Accounts payable		145,760
TOTAL LIABILITIES		145,760

Deferred Inflow of Resources

Property taxes		1,304,782
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Net Position

Restricted for TABOR reserve		51,249
Nonspendable		8,722
Unassigned		4,567,688
TOTAL NET POSITION		\$ 4,627,659

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

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Reconciliation of the Governmental Net Position to
the Statement of Net Position
December 31, 2020

Total Governmental Net Position	\$ 4,627,659
Amounts reported for governmental activities in the statement of activities are different because:	
Capital assets used in governmental activities are not financial resources and, therefore are not reported as assets in the governmental funds.	611,356
Long-term liabilities for compensated absences are not due and payable in the current period and therefore are not reported as expenditures in the funds.	(50,545)
Net position of Governmental Activities.	<u>\$ 5,188,470</u>

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

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Statement of Revenues, Expenditures and Change in Net Position - General Fund
For the Year Ended December 31, 2020

Revenues

Taxes	\$ 1,415,167
Charges for services	52,553
Interest on deposits and investments	82,900
Basin Wide plan	92,640
Cloud seeding program	121,750
Miscellaneous	6,930
TOTAL REVENUES	<u>1,771,940</u>

Expenditures

Current:	
Salaries & Benefits	502,303
Public Outreach	16,676
Legal & Accounting	5,188
Occupancy Expenses	14,435
Bonding & Insurance	9,592
Office Expense	94,375
Board of Directors Expenses	5,778
Board of Directors Fees	12,160
General & Administrative	24,256
Membership & Dues	6,091
Stream Monitoring	137,808
Bad Debts	13,421
Taylor Park Project	6,377
Basin Planning & Development	212,771
Fish Recovery Program	3,000
Water Costs & Supply Program	258,337
Lake San Cristobal	13,464
Cloud seeding program	128,658
Capital Outlay	15,638
TOTAL EXPENDITURES	<u>1,480,328</u>

NET CHANGE IN NET POSITION 291,612

Net Position January 1 4,336,047

Net Position December 31 \$ 4,627,659

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

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
 Reconciliation of the Governmental Net Position to
 the Statement of Net Position
 December 31, 2020

Net Change in Net Position - Governmental Fund

Amounts reported for governmental activities in the statement of activities are different because:	\$	291,612
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount by which capital outlays exceeded depreciation in the current period.</p>		
Fixed assets added during year	\$ 15,638	
Depreciation	<u>(24,020)</u>	(8,382)
<p>Expenses for compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds</p>		
		(20,301)
Change in Net Position of Governmental Activities	<u>\$</u>	<u>262,929</u>

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

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Statement of Net Position
Enterprise Fund
December 31, 2020

	<u>Water Enterprise Fund</u>
Assets	
Current Assets:	
Cash & equivalents	\$ 94,229
Accounts Receivable	29
Investments-ColoTrust	39,590
Total Current Assets	<u>133,848</u>
Capital Assets:	
Meridian Lake Reservoir	942,457
Dam Rehabilitation	113,024
Less Accumulated Depreciation	(48,439)
Net Capital Assets	<u>1,007,042</u>
Total Assets	<u>1,140,890</u>
Liabilities	
Current Liabilities	
Accounts payable	7,530
Total Current Liabilities	<u>7,530</u>
Long-term Liabilities	
Loan	75,000
Total Liabilities	<u>82,530</u>
Net Position	
Invested in Capital Assets, Net of Related Debt	932,042
Unrestricted	126,318
Total Net Position	<u>\$ 1,058,360</u>

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

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Statement of Revenues, Expenses and Change in Net Position
Enterprise Fund
For The Year Ended December 31, 2020

	Water Enterprise Fund
Operating Revenues:	
Charges for Services	\$ 73,458
Total Operating Revenue	73,458
Operating Expenses:	
Salaries & Benefits	23,185
Accounting & Legal	257
Occupancy Expenses	617
Bonding & Insurance	1,026
Office Expenses	2,942
General & Administrative	314
Board Expenses	263
Repairs & maintenance	105
Depreciation	3,229
Total Operating Expenses	31,938
Operating Income (Loss)	41,520
Non-Operating Revenues (Expenses)	
Interest Income	287
Miscellaneous income	-
Total Non-Operating Revenues (Expense)	287
Income (Loss) Before Transfers	41,807
Total Net Position, January 1	1,016,553
Total Net Position, December 31	\$ 1,058,360

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

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Statement of Cash Flows
Enterprise Fund
For The Year Ended December 31, 2020

	<u>Water Enterprise Fund</u>
Cash Flows From Operating Activities:	
Cash Received from Charges for Services	\$ 73,458
Payments to and on behalf of employees	(23,185)
Cash Payments for Goods and Services	(3,478)
Net Cash Provided (Used) by Operating Activities	<u>46,795</u>
Cash Flows From Investing Activities	
Increase in Investment	(287)
Interest on Investments	287
Net Cash Provided (Used) by Investing Activities	<u>-</u>
Net Increase (Decrease) in Cash & Cash Equivalents	46,795
Cash Balance, January 1	47,433
Cash Balance, December 31	<u>\$ 94,228</u>
Reconciling of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	\$ 41,520
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Depreciation Expense	3,229
Assets (Increased) Decreased	
Accounts Receivable	-
Liabilities Increased (Decreased)	
Accounts Payable	2,046
Total Adjustments	<u>5,275</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 46,795</u>

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

Upper Gunnison River Conservancy District
Notes to the Financial Statements
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Upper Gunnison River Water Conservancy District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below:

Reporting Entity

These financial statements present the financial position and results of operations of the District, a political subdivision of the State of Colorado created on June 1, 1959. The District is supported jointly by Gunnison, Hinsdale, and Saguache counties based upon a mill levy on real property located in the District. The purpose of the District is to represent the water interests of the residents of the Upper Gunnison River Watershed area. An eleven-member board governs the District.

These financial statements include only the District as there are no component units required to be included in accordance with GASB Statement No 14.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of governmental net position and the statement of governmental activities) report information on all the nonfiduciary activities of the District. *Governmental activities*, which normally are supported by taxes, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific program. *Program revenues* include charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

The accounts of the District are organized based on funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how spending activities are controlled.

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period. The District has only one governmental fund, the General *Fund*, which is the general operating fund of the District.

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The District has presented the following major proprietary fund.

Upper Gunnison River Conservancy District
Notes to the Financial Statements
December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-Continued

Water Enterprise Fund

Water Enterprise Fund is used to account for the provision of water services to the residents of the Upper Gunnison River Watershed and include administration, operations and maintenance of the water system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water debt. All costs are financed through charges to customers.

Proprietary funds distinguish operating revenues and expenses from non-operating 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. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Measurement Focus and Basis of Accounting

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.

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). Those revenues associated with the current period susceptible to accrual are property taxes, interest revenue, and charges for services. All other revenues are reported when cash is received. Expenditures are recorded when the related fund liability is incurred.

It is the District's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property Taxes Receivable

Property taxes for the current year are levied and attached as a lien on property on January 1 of the succeeding year. They are payable in full by April 30 or in two equal installments due on February 28 and June 15. Property taxes levied in the current year and payable in the following year are reported as a receivable on December 31. However, since the property taxes are not available to pay current liabilities, the receivable is reported as deferred revenue.

Capital Assets

Capital assets are stated at cost. Donated assets are recorded at their estimated fair market value at the date of donation. The District defines capital assets as assets with an initial cost of \$2,000 or greater. Replacements, which improve or extend the lives of property, are capitalized. Maintenance, repairs, and equipment replacements of a routine nature are charged to expenditures as incurred and are not capitalized.

Upper Gunnison River Conservancy District
Notes to the Financial Statements
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Capital Assets – continued

Capital assets are depreciated using the straight-line method over the following useful lives:

Office equipment	5-10 years
Dam rehabilitation	35 years

The District started to depreciate the cost of the Meridian Lake Reservoir dam rehabilitation in 2006 when the asset was transferred to the enterprise fund.

Compensated Absences

Full-time employees, except for the manager and water attorney who are covered under separate contracts, earn paid time-off based upon the number of years of service. At the Board's discretion, part-time employees may earn paid time-off on a pro-rata basis. The maximum amount of paid time-off that can be accumulated is 432 hours, after 15 years of service. All earned paid time-off is payable upon termination.

Net Position

Net position represents the difference between assets and liabilities. Net assets invested in capital assets consist of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on their use by external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes reconciliation between *fund balances* of the *governmental funds* and *Net Position of governmental activities* as reported in the government-wide statement of Net Position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between the *net change in fund balances of the governmental funds* and the *changes in Net Position of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resource's measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements.

NOTE 3 - TAX, SPENDING AND DEBT LIMITATIONS

In November 1992, 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.

On November 3, 1998, the electors of the District approved the retention and spending of the District's non-tax revenues for the year beginning January 1, 1999, and subsequent years, without regard to the limitations imposed by the Amendment and to impose a maximum property tax rate not to exceed 2.0 mills. The Amendment requires that an emergency reserve be maintained at three percent of fiscal year spending. A portion of the general fund's fund balance is classified as restricted for emergencies as required by the Amendment. The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the Amendment.

Upper Gunnison River Conservancy District
Notes to the Financial Statements
December 31, 2020

NOTE 4 – BUDGETS

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- A. Budgets are required by state law for all governmental, proprietary, and trust funds.
- B. The budget officer is required to submit a proposed budget to the Board by October 15.
- C. Public hearings are conducted by the Board to obtain taxpayer comments.
- D. Certification of the mill levies to the Board of County Commissioners and adoption of the budget and appropriations are required by December 15.
- E. Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the budget. No changes were made to the originally adopted budget.
- F. Budget appropriations lapse at the end of each year.
- G. The District adopts budgets on a basis that is consistent with GAAP.

NOTE 5 - DEPOSITS AND INVESTMENTS

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% of the uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations secured by first lien mortgages on real property located in the state. PDPA allows the institutions 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 uninsured public deposits as a group. The State Regulatory Commission for banks and financial services is 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.

On December 31, 2020, the carrying amounts of the District's deposits were \$333,720. Of the bank balances, \$333,720 is covered by FDIC depository insurance. Of the above bank balance, the General Fund's share is \$239,491 and the Water Fund's share is \$94,229.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. Authorized investments include obligations of the United States and certain US government agency securities, certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; local government investment pools; written repurchase agreements collateralized by certain authorized securities; certain money market funds; and, guaranteed investment contracts. The District's investment policy follows Colorado statutes. On December 31, 2020, the District's investments included certificates of deposit, funds held in Colotrust and long-term government bonds. The CD's have maturity dates ranging from January 2021 to December 2024. The long-term Government maturities range from September 2021 to August 2025.

	Carrying Value	Cost	
CD's (Level 1)	\$ 751,534	\$ 744,000	
Federal Farm Credit Banks (Level 2)	345,135	345,000	Moodys AAA; S&P A++
Federal Home Loan Bank (Level 2)	752,076	750,000	Moodys AAA; S&P A++
U.S. Treasury Notes (Level 2)	408,392	399,980	Moodys AAA
	\$ 2,257,137	\$ 2,238,980	

Upper Gunnison River Conservancy District
Notes to the Financial Statements
December 31, 2020

NOTE 5 - DEPOSITS AND INVESTMENTS – continued

The District Categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly, Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liabilities.

Level 3: Unobservable inputs for an asset or liability.

Net Asset Value Investment

The District had invested \$1,372,197 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes, and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to and are not registered with the SEC. COLOTRUST's funds are rated AAA by Standard and Poor's, Fitch's, and Moody's rating services. The General Funds share of the amount is \$1,332,607 and the Water fund's share is \$39,590. *These Investments are measured at Net Asset Value.*

**Upper Gunnison River Conservancy District
Notes to the Financial Statements
December 31, 2020**

NOTE 6 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2020, was as follows:

	Balance 12/31/2019	Increase	Decrease	Balance 12/31/2020
Governmental Funds				
Capital assets being depreciated				
Building and Land	\$ 759,424	\$ -	\$ -	\$ 759,424
Office Equipment	50,829	-	-	50,829
Project in process	-	15,637	-	15,637
Less Accumulated Depreciation	(190,514)	(24,020)	-	(214,534)
Governmental Activities Capital Assets, Net.	<u>\$ 619,739</u>	<u>\$ (8,383)</u>	<u>\$ -</u>	<u>\$ 611,356</u>
Business-type Activities				
Capital assets not being depreciation	\$ 942,457	\$ -	\$ -	\$ 942,457
Capital assets being depreciated				
Dam Rehabilitation	113,024	-	-	113,024
Less Accumulated Depreciation	(45,210)	(3,229)	-	(48,439)
Total Capital Assets Being Depreciated	<u>67,814</u>	<u>(3,229)</u>	<u>-</u>	<u>64,585</u>
Business-Type Activities Capital Assets, Net.	<u>\$ 1,010,271</u>	<u>\$ (3,229)</u>	<u>\$ -</u>	<u>\$ 1,007,042</u>

Total depreciation expense for the General Fund for the year ended December 31, 2020, was \$24,020, which was charged to the General and Administrative function. Water Enterprise Fund had depreciation expense of \$3,229.

NOTE 7 - RETIREMENT PLANS

The District participates in the Colorado Retirement Association (CRA) that provides retirement benefits through a defined contribution money purchase plan (the Plan) to participating Colorado counties, municipalities, and special districts. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All employees must participate in the plan immediately after employment. The District has agreed to contribute 7% of employee compensation. The employee is required to contribute an amount equal to the District's contribution and may contribute up to 10% of compensation. Employees are 100% vested once they are eligible to participate in the Plan. The covered payroll for the Plan was \$322,349 for the year ended December 31, 2020. The District and employees, each, contributed \$22,564, which is 7% of the covered payroll. The employer can authorize the term benefits and has the right to amend those terms.

The District's employees may participate CRA's 457 deferred compensation plan if they so choose. There is no District participation in this plan.

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims have not exceeded commercial coverage in any of the past three years.

NOTE 9 - COMMITMENTS

In 2007, the District entered into an agreement with Hinsdale County and the Town of Lake City to commission a feasibility study for a controlled outlet structure for Lake San Cristobal and the District. That project was on going as of December 31, 2020.

**Upper Gunnison River Conservancy District
Notes to the Financial Statements
December 31, 2020**

NOTE 10 – JOINT VENTURE

The District, Hinsdale County, and the Town of Lake City jointly operate the Lake San Cristobal Water Activity Enterprise. The purpose of the Enterprise is to provide water stored in Lake San Cristobal for use as replacement water to permit out-of-priority depletions by wells or other diversion structures that would otherwise be curtailed by downstream calls from senior water rights or senior instream flow water rights. The Enterprise is governed by a six-member board that includes two members from each of the three partner entities.

NOTE 11 - LONG TERM DEBT

The Water Enterprise Fund has an operating loan. The Fund borrowed \$75,000 from the general fund on an interest free operating loan.

The following is a detailed breakdown of those debt service payments.

	Balance 1/1/2020	Payments	Balance 12/31/2020
Operating Loan	\$ 75,000	\$ -	\$ 75,000
	\$ 75,000	\$ -	\$ 75,000

NOTE 12 – LEASES

The District leases a copier. The lease term is 60 months at \$243 per month. Below is the remaining lease payment schedule on December 31, 2020.

2021-2024 / \$2,915 per year	\$11,660
2025	972
Total	\$12,632

NOTE 13 – FUND BALANCE CLASSIFICATION POLICIES AND PROCEDURES

During 2020, the District implemented GASB 54, Fund Balance Classification. With this new GASB, the fund balance is broken into five classifications. (1) Non-spendable – not in spendable form, (2) Restricted-fund constrained by external parties, (3) Committed – constraints on use of funds imposed by the highest level of decision-making authority, in the District’s case that is the Board of Directors. The funds must be established, modified, or rescinded by use of resolution of the Board. (4) Assigned – funds intended to be used for a specific purpose, where the intent is expressed by an official authorized by the governing board, in the District’s case that is the General Manager and (5) Unassigned – which are funds available for any purpose. The District does not have Committed or Assigned fund classifications in 2020.

It is the District’s policy to spend restricted funds first, then unrestricted funds, for the purpose for which the restriction dictates. Committed and assigned funds are spent first, when expenditure is incurred for which the commitment or assigned designation was established.

The District does have fund classifications as follows:

- Restricted which is dictated by Colorado State Law
- Nonspendable
- Unassigned.

REQUIRED SUPPLEMENTARY INFORMATION

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Statement of Revenues, Expenditures and Change in Fund Balance - Budget & Actual
General Fund
For the Year Ended December 31, 2020

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Carryover from Prior Year	\$ 47,754	\$ -	\$ (47,754)
Taxes:			
Property	1,324,014	1,322,447	(1,567)
Specific Ownership	65,000	89,432	24,432
Interest of Delinquent Taxes	3,300	3,288	(12)
Total Taxes	<u>1,392,314</u>	<u>1,415,167</u>	<u>22,853</u>
Cloud Seeding Program	103,450	121,750	18,300
Basin Implementation Plan	422,314	92,640	(329,674)
Water Contract Sales	19,885	23,981	4,096
Water Quality Monitoring	21,403	28,572	7,169
Earnings on Deposits & Investments	60,000	82,900	22,900
Miscellaneous	1,000	6,930	5,930
Total Revenues	<u>2,068,120</u>	<u>1,771,940</u>	<u>(296,180)</u>
Expenditures			
Salaries & Benefits	539,481	502,303	37,178
Public Outreach	27,500	16,676	10,824
Legal & Accounting	12,500	5,188	7,312
Occupancy Expenses	13,396	14,435	(1,039)
Bonding & Insurance	10,274	9,592	682
Office Expense	92,409	94,375	(1,966)
Board of Directors Expenses	12,200	5,778	6,422
Board of Directors Fees	13,520	12,160	1,360
General & Administrative	48,535	24,256	24,279
Membership & Dues	6,510	6,091	419
Stream Monitoring	116,579	137,808	(21,229)
Bad Debts	-	13,421	(13,421)
Taylor Park Project	6,377	6,377	-
Basin Planning & Development	967,667	212,771	754,896
Fish Recovery Program	3,000	3,000	-
Water Costs & Supply Program	24,737	258,337	(233,600)
Lake San Cristobal	14,225	13,464	761
Contingency	24,000	-	24,000
Cloud Seeding Program	-	128,658	(128,658)
Capital Outlay	-	15,638	(15,638)
Total Expenditures	<u>1,932,910</u>	<u>1,480,328</u>	<u>452,582</u>
Excess of Revenues Over (Under) Expenditures	135,210	291,612	156,402
Fund Balance, January 1	-	4,336,047	4,336,047
Fund Balance, December 31	<u>\$ 135,210</u>	<u>\$4,627,659</u>	<u>\$ 4,492,449</u>

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

OTHER SUPPLEMENTARY INFORMATION

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
Schedule of Revenues, Expenses and Change in Available Resources - Budget & Actual
Water Enterprise Fund
For the Year Ended December 31, 2020

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Annual Meridian Dues	28,914.00	\$ 73,458	\$ 44,544
Other Income	-	-	-
Earnings on Deposits & Investments	850.00	287	(563)
Total Revenues	<u>29,764</u>	<u>73,745</u>	<u>43,981</u>
Expenses			
Salaries & Benefits	22,786.00	23,185	399
Accounting & Legal	335	257	(78)
Occupancy Expenses	597	617	20
Bonding & Insurance	1,021	1,026	5
Office Expenses	2,204	2,942	738
General & Administrative	1,137	314	(823)
Board Expenses	633	263	(370)
Repairs & Maintenance	200	105	(95)
Total Expenses	<u>28,913</u>	<u>28,709</u>	<u>(204)</u>
Excess of Revenues Over (Under) Expenses	851	45,036	44,185
Reconciliation to Statement of Activities:			
Depreciation	-	(3,229)	(3,229)
Available Resources, January 1	25,826	1,016,553	990,727
Available Resources, December 31	<u>\$ 26,677</u>	<u>\$1,058,360</u>	<u>\$ 1,031,683</u>

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