

**GREATROCK NORTH WATER AND  
SANITATION DISTRICT  
Adams County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2020 AND 2019**

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2020**

<b>INDEPENDENT AUDITOR’S REPORT</b>	<b>I</b>
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS</b>	<b>III</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF NET POSITION</b>	<b>1</b>
<b>STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>	<b>3</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>5</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>7</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUNDS     AVAILABLE – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>25</b>
<b>RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO STATEMENTS OF     REVENUES, EXPENSES, AND CHANGE IN NET POSITION</b>	<b>27</b>
<b>SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY</b>	<b>28</b>
<b>SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES     COLLECTED</b>	<b>30</b>
<b>CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION</b>	
<b>ASSESSED AND ACTUAL VALUATION OF CLASSES OF PROPERTY IN THE     DISTRICT</b>	<b>32</b>
<b>LARGEST TAXPAYERS WITHIN THE DISTRICT</b>	<b>32</b>
<b>HISTORICAL DEBT RATIOS</b>	<b>33</b>



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086  
FAX: 720.348.2920

## **Independent Auditor's Report**

Board of Directors  
Greatrock North Water and Sanitation District  
Adams County, Colorado

### **Report for the Financial Statements**

We have audited the accompanying financial statements of Greatrock North Water and Sanitation District (District) as of and for the years ended December 31, 2020 and 2019, and the related notes to the 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greatrock North Water and Sanitation District, as of December 31, 2020 and 2019, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages III through VII presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

*SCHILLING & COMPANY, INC.*

Highlands Ranch, Colorado  
September 29, 2021

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2020**

The management of Greatrock North Water and Sanitation District (the District) offers the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2020.

**Financial Highlights**

- Net position increased \$378,760 in 2020 (6.7%).
- Operating loss increased from \$(281,227) in 2019 to \$(325,136) for 2020, due to an increase in water operating expenses in 2020.
- Operating revenue increased \$80,686 (15.6%) from the prior year. This net increase is due to an increase in water consumption.
- Total operating expenses, exclusive of depreciation, increased \$100,884 (18.2%) from 2019 to 2020.
- Funds available (current assets, less deferred inflow of resources, less current liabilities exclusive of the current portion of long-term obligations and unspent loan proceeds) increased from \$4,587,885 to \$4,710,142 at December 31, 2020, an increase of \$122,257 or 2.7%.

**Overview of the Financial Statements**

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of financial statements and notes to financial statements. This report also contains other supplemental information and continuing disclosure annual financial information in addition to the basic financial statements themselves.

The financial statements of the District are presented as a special purpose government engaged only in business type activities - providing water utility services.

The statements of net position present information on all of the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statements of revenues, expenses, and changes in net position present information that reflects how the District's net position changed during the past year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenue and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

The statements of cash flows report the District's cash flows from operating, noncapital financing, capital, and investing activities.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2020**

**Overview of the Financial Statements (Continued)**

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

The supplementary information contained in this report provides a schedule of expenses, budget and actual information, debt service requirements and assessed valuation, mill levy and property tax information.

	December 31,		
	2020	2019	2018
Current Assets	\$ 5,753,405	\$ 5,614,262	\$ 4,969,963
Capital Assets, Net	8,019,666	7,754,748	7,701,205
Other Assets, Net	19,357	33,576	35,602
Deferred Outflows of Resources	72,294	111,594	120,737
Total Assets and Deferred Outflows of Resources	<u>13,864,722</u>	<u>13,514,180</u>	<u>12,827,507</u>
Current Liabilities	83,582	98,029	58,711
Long-Term Obligations	6,757,468	6,802,572	6,964,595
Deferred Inflows of Resources	959,681	928,348	785,683
Total Liabilities and Deferred Inflows of Resources	<u>7,800,731</u>	<u>7,828,949</u>	<u>7,808,989</u>
Net Position:			
Net Investment in Capital Assets	2,501,308	2,766,871	2,811,925
Restricted	99,224	45,208	57,729
Unrestricted	3,463,459	2,873,152	2,148,864
Total Net Position	<u>\$ 6,063,991</u>	<u>\$ 5,685,231</u>	<u>\$ 5,018,518</u>

Current assets increased slightly by \$139,143 or 2.5% from 2019 to 2020. Mainly due to a positive change in net position. Additionally, property taxes receivable increased by \$28,826 due to a 3.1% increase in the District assessed valuation for taxes levied for 2020 collection.

Total liabilities decreased \$59,551 from 2019 to 2020, primarily due to \$145,000 of principal payments made on the outstanding bonds along with by a \$14,447 decrease in current liabilities. Total liabilities decreased \$122,705 from 2018 to 2019, primarily due to \$140,000 of principal payments made on the outstanding bonds offset by a \$39,318 increase in current liabilities due to overall increases in expenses in 2019.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2020**

**Overview of the Financial Statements (Continued)**

	December 31,		
	2020	2019	2018
<b>REVENUES</b>			
Operating Revenue:			
Charges for Services	\$ 568,125	\$ 490,466	\$ 492,023
Available for Service Fee	4,175	7,240	4,094
Irrigation Lease	7,500	7,500	7,500
Inspection Fees	2,532	6,889	1,825
Miscellaneous	15,225	4,776	3,682
Total Operating Revenues	<u>597,557</u>	<u>516,871</u>	<u>509,124</u>
<b>NONOPERATING REVENUES</b>			
Tax Revenue	997,850	849,347	831,805
Investment Income	33,966	100,769	84,264
<b>CONTRIBUTIONS</b>			
System Development Fees	63,900	276,900	268,737
Total Revenues	<u>1,693,273</u>	<u>1,743,887</u>	<u>1,693,930</u>
<b>EXPENSES</b>			
Operating Expenses:			
Water and Sewer Operations	401,560	360,546	311,514
Depreciation	267,145	243,434	238,313
General and Administrative	253,988	194,118	200,243
Total Operating Expenses	<u>922,693</u>	<u>798,098</u>	<u>750,070</u>
<b>NONOPERATING EXPENSES</b>			
Interest and Debt Related Charges	391,820	279,076	270,833
Total Expenses	<u>1,314,513</u>	<u>1,077,174</u>	<u>1,020,903</u>
Changes in Net Position	378,760	666,713	673,027
Net Position - Beginning of Year	<u>5,685,231</u>	<u>5,018,518</u>	<u>4,345,491</u>
Net Position - End of Year	<u>\$ 6,063,991</u>	<u>\$ 5,685,231</u>	<u>\$ 5,018,518</u>

The District's net position increased from 2019 to 2020 by \$378,760. Charges for services increased 15.8%, from 2019 to 2020. This increase was due to increased water usage revenue as water usage increased from 42,398,825 gallons in 2019 to 56,648,347 gallons in 2020. The District also collected \$213,000 less in system development fees in 2020 compared to 2019 as development in the Hayesmount Estates area slowed down. The District had decreased interest earnings due to the decline in interest rates. The other revenues for the District remained consistent from 2019 to 2020.

The District's net position increased from 2018 to 2019 by \$666,713. Charges for services decreased minimally, from 2018 to 2019. This decrease was due to lower water usage revenue as water usage decreased from 44,984,463 gallons in 2018 to 42,398,825 in 2019. The District also collected \$213,000 more in system development fees in 2019 compared to 2018 as development in the Hayesmount Estates area continues. This is partially offset by a \$204,837 reduction in contributions of capital assets from 2018 to 2019. The District had increased interest earnings due to general improvements in the investment markets. The other revenues for the District remained consistent from 2018 to 2019.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2020**

**Overview of the Financial Statements (Continued)**

**Budgetary Highlights**

The total actual expenditures for 2020 were \$35,389,929 under the amended budgeted appropriated expenditures of \$8,930,945. The 2020 budget was amended due the refunding of the Series 2010 bonds. Capital outlay expenses were \$3,160,437 under the amended budget, accounting for the majority of this difference.

**Capital Assets**

The activity related to capital assets during 2020, 2019, and 2018 is as follows:

	December 31, 2018	Net Changes	December 31, 2019	Net Changes	December 31, 2020
Land	\$ 94,243	\$ -	\$ 94,243	\$ -	\$ 94,243
Water Rights	980,105	-	980,105	-	980,105
Easements	152,989	-	152,989	-	152,989
Construction in Progress	107,831	296,977	404,808	294,947	699,755
Water Distribution System	9,387,464	-	9,387,464	237,116	9,624,580
Total Assets	10,722,632	296,977	11,019,609	532,063	11,551,672
Accumulated Depreciation	(3,021,427)	(243,434)	(3,264,861)	(267,145)	(3,532,006)
Net Capital Assets	<u>\$ 7,701,205</u>	<u>\$ 53,543</u>	<u>\$ 7,754,748</u>	<u>\$ 264,918</u>	<u>\$ 8,019,666</u>

The District's capital assets at December 31, 2020, 2019 and 2018, amounted to \$8.02 million, \$7.75 million, and \$7.70 million (net of accumulated depreciation), respectively. This investment in capital assets includes water distribution infrastructure, water rights, easements, land, and on-going capital projects.

In 2020 the District additions were for meter upgrades, pump replacement and related construction related to the new concentrate ponds and reverse osmosis plant upgrades. In 2019 the District additions were for construction related to construction of a new concentrate pond and reverse osmosis plant upgrades.

Additional information regarding the District's capital assets can be found in Note 4.

**Debt Administration**

In 2020 the District refunded the Series 2010 bonds with the issuance of the Series 2020 loan. All scheduled debt service payments were made timely during 2020, 2019, and 2018.

Additional detail on the District's debt is in Note 5 of this report.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2020**

**Economic and Other Factors**

For 2021, the District's property tax revenue is expected to increase by 3.1% due to higher assessed valuation. The total mills levied for the District's 2021 tax collections is 47.000, the same as 2020.

Total budgeted revenues for 2021 are \$1,589,243. Total appropriated expenditures for 2021 are \$4,533,256.

**Request for Information**

This report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Greatrock North Water and Sanitation District  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, Colorado 80111

## **BASIC FINANCIAL STATEMENTS**

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
STATEMENTS OF NET POSITION  
DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 3,418,168	\$ 2,885,214
Cash and Cash Equivalents - Restricted	1,246,683	1,732,227
Accounts Receivable	113,543	68,073
Property Taxes Receivable	957,174	928,348
Prepaid Expenses	17,837	400
Total Current Assets	5,753,405	5,614,262
<b>CAPITAL ASSETS</b>		
Capital Assets, Not Being Depreciated	1,927,092	1,632,145
Capital Assets, Being Depreciated	9,624,580	9,387,464
	11,551,672	11,019,609
Less: Accumulated Depreciation	(3,532,006)	(3,264,861)
Total Capital Assets	8,019,666	7,754,748
<b>OTHER ASSETS</b>		
Prepaid Bond Insurance, Net	19,357	33,576
Total Other Assets	19,357	33,576
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Loss on Debt Refunding, Net	72,294	111,594
Total Deferred Outflows of Resources	72,294	111,594
Total Assets and Deferred Outflows of Resources	\$ 13,864,722	\$ 13,514,180

See accompanying Notes to Basic Financial Statements.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
STATEMENTS OF NET POSITION (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	2020	2019
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 65,678	\$ 74,346
Interest Payable	17,054	22,833
Deposits	850	850
Total Current Liabilities	83,582	98,029
<b>NONCURRENT LIABILITIES</b>		
Bonds Payable:		
Due Within One Year	185,000	145,000
Due in More Than One Year	6,572,468	6,657,572
Total Noncurrent Liabilities	6,757,468	6,802,572
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Tax Revenue	957,174	928,348
Unearned Service Fees	2,507	-
Total Deferred Inflows of Resources	959,681	928,348
<b>NET POSITION</b>		
Net Investment in Capital Assets	2,501,308	2,766,871
Restricted for Emergencies	17,100	12,900
Restricted for Debt Service	82,124	32,308
Unrestricted	3,463,459	2,873,152
Total Net Position	6,063,991	5,685,231
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 13,864,722	\$ 13,514,180

See accompanying Notes to Basic Financial Statements.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>OPERATING REVENUE</b>		
Service Charges - Greatrock	\$ 210,691	\$ 156,720
Service Charges - Rockinghorse Farms	141,731	118,195
Service Charges - Box Elder	196,633	188,247
Service Charges - Hayesmount	19,070	12,489
Available for Service Fees	4,175	7,240
Inspection Fees	2,532	6,889
Transfer Fees	7,700	5,425
Late Fees / Penalties	4,664	9,390
Irrigation Lease Revenue	7,500	7,500
Miscellaneous	2,861	4,776
Total Operating Revenue	597,557	516,871
<b>OPERATING EXPENSES</b>		
General and Administrative:		
Accounting	49,105	29,516
Audit	8,357	11,180
Director's Fees	6,700	5,544
District Management	91,865	65,456
Elections	2,503	206
Insurance	18,791	16,799
Legal	68,512	52,211
Miscellaneous	7,510	12,199
Payroll Taxes	645	497
Website Development	-	510
Operations:		
Depreciation	267,145	243,434
Customer Billing	34,924	16,431
Engineering	34,756	58,851
GIS	6,912	5,802
Inclusions	-	123
Maintenance and Repairs	110,611	134,084
Meter Reading	7,879	9,084
Operator Services	57,928	49,715
Plant Supplies	9,252	4,131
Rules and Regulations	-	978
Testing and Reporting	7,885	6,593
Utilities	61,972	43,498
Water Rights Development	69,441	31,256
Total Operating Expenses	922,693	798,098
<b>OPERATING LOSS</b>	(325,136)	(281,227)

See accompanying Notes to Basic Financial Statements.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)  
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>NONOPERATING REVENUES</b>		
Property Taxes	\$ 929,721	\$ 785,678
Specific Ownership Taxes	68,129	63,669
Net Investment Income	33,966	100,769
Total Nonoperating Revenues	1,031,816	950,116
<b>NONOPERATING EXPENSES</b>		
Bond Interest Expense	247,889	265,055
County Treasurer's Fees	13,962	11,795
Paying Agent Fees	1,000	200
Bond Insurance cost amortization	14,219	2,026
Loan issue costs	114,750	-
Total Nonoperating Expenses	391,820	279,076
<b>INCOME BEFORE CONTRIBUTIONS</b>	314,860	389,813
<b>CAPITAL CONTRIBUTIONS</b>		
System Development Fees	63,900	276,900
Total Capital Contributions	63,900	276,900
<b>CHANGE IN NET POSITION</b>	378,760	666,713
Net Position - Beginning of Year	5,685,231	5,018,518
<b>NET POSITION - END OF YEAR</b>	\$ 6,063,991	\$ 5,685,231

See accompanying Notes to Basic Financial Statements.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$ 574,156	\$ 504,048
Payments to Suppliers	(702,308)	(497,114)
Net Cash Provided (Used) by Operating Activities	(128,152)	6,934
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Property Tax Collections for Operations	929,721	785,678
Specific Ownership Taxes	48,567	64,392
County Treasurer's Fees	(13,962)	(11,795)
Net Cash Provided by Noncapital Financing Activities	964,326	838,275
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital Asset Purchases	(511,408)	(296,977)
Inclusion Fees	-	276,900
System Development Fees	63,900	-
Interest on Debt	(234,721)	(278,293)
Loan Proceeds	1,970,000	-
Debt Principal Reduction	(145,000)	(140,000)
Paying Agent Fees and Other Debt Expenses	(1,000)	(200)
Loan Issue Costs	(114,750)	-
Payment to Refunding Agent	(1,849,751)	-
Net Cash Used by Capital and Related Financing Activities	(822,730)	(438,570)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	33,966	100,769
Net Cash Provided by Investing Activities	33,966	100,769
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	47,410	507,408
Cash and Cash Equivalents - Beginning of Year	4,617,441	4,110,033
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 4,664,851	\$ 4,617,441

See accompanying Notes to Basic Financial Statements.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
STATEMENTS OF CASH FLOWS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income Loss	\$ (325,136)	\$ (281,227)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:		
Depreciation	267,145	243,434
(Increase) Decrease in:		
Accounts Receivable	(25,908)	(12,823)
Prepaid Expenses	(17,437)	17,874
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	(29,323)	39,676
Unearned Service Fees	2,507	-
Net Cash Provided (Used) by Operating Activities	\$ (128,152)	\$ 6,934

See accompanying Notes to Basic Financial Statements.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Greatrock North Water and Sanitation District (the District), was organized on May 27, 1998, as a quasi-municipal corporation and political subdivision of the state of Colorado and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado. The District's purpose is to provide public water services and stormwater drainage and detention to the property owners and residents of the District. The District is governed by an elected Board of Directors.

The District has no employees, and all operations and administration functions are contracted.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units accounted for as a proprietary enterprise fund. The enterprise fund is used since the District's powers are related to those operated in a manner similar to a private utility system where net income and capital maintenance are appropriate determinations of accountability.

**Basis of Accounting**

The District's records are maintained on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when the liability is incurred. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets. Redemptions of bonds and loans are recorded as a reduction in liabilities. Tap fees and contributed assets from developers are recorded as capital contributions when received or collectible.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Operating Revenues and Expenses**

The District distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

**Budgets**

In accordance with the Local Government Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation, including the Enterprise, is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements.

The District has amended its annual budget for the year ended December 31, 2020.

For financial statement presentation purposes, the District is reported as a single enterprise fund. For 2020 budgetary purposes, the District separately budgeted for specific components of this enterprise fund. These separate budgetary components of the District are the general fund, debt service fund and capital projects fund. For budgetary reporting purposes these components are combined into a single budgetary schedule.

**Property Taxes**

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

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**Accounts Receivable**

Accounts receivable consists of uncollected water service revenue. Due to the District's broad powers of collection, no allowance for uncollectible water service revenue receivables has been reported.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash Equivalents**

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents

**Capital Assets**

Capital assets, which include land, water rights, buildings, distribution and collection systems and machinery and equipment are reported by the District. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation or at the developers' cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Water Distribution System	20 to 40 Years
---------------------------	----------------

**Estimates**

Management uses estimates and assumptions in preparing 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 assumed in preparing the financial statements.

**Tap Fees and Contributed Lines**

Tap fees are recorded as capital contributions when received. Lines contributed to the District by developers are recorded as capital contributions and additions to the systems at estimated fair market value when received.

**Bond Issue Costs, Original Issue Discount, Deferred Loss on Bond Refunding**

Bond issuance costs are treated as a period cost and expensed in the year incurred. The deferred loss on bond refunding and bond insurance obtained at issuance of the bonds are being amortized over the life of the refunded bonds using the straight-line method. The original issue discount and premium are being amortized over the life of the bonds using the effective interest method.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflow/Inflow of Resources**

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *cost of debt refunding*, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

In addition to liabilities, the statements of net position report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Reclassifications**

For comparability, certain 2019 amounts have been reclassified where appropriate to conform with the 2020 financial statement presentation.

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2020 and 2019, are classified in the accompanying financial statements as follows:

	2020	2019
Statement of Net Position:		
Cash and Cash Equivalents	\$ 3,418,168	\$ 2,885,214
Cash and Cash Equivalents - Restricted	1,246,683	1,732,227
Total Cash and Investments	\$ 4,664,851	\$ 4,617,441

Cash and investments as of December 31, 2020 and 2019, consist of the following:

	2020	2019
Deposits with Financial Institutions	\$ 532,526	\$ 394,277
Investments	4,132,325	4,223,164
Total Cash and Investments	\$ 4,664,851	\$ 4,617,441

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Deposits with Financial Institutions**

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. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners 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.

At December 31, 2020 and 2019, the District's cash deposits had a bank balance of \$531,152 and \$394,277, respectively; and a carrying balance of \$532,526 and \$394,277, respectively.

**Investments**

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

As of December 31, 2020 and 2019, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>2020</u>	<u>2019</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	<u>\$ 4,132,325</u>	<u>\$ 4,223,164</u>

**COLOTRUST**

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust) an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. treasury securities and repurchase agreements collateralized by U.S. treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**Restricted Cash and Investments**

At December 31, 2020 and 2019, cash and investments in the amount of \$1,246,683 and \$1,732,227, respectively are restricted for debt service related to the Series 2017 Improvement Bonds and the Series 2020 General Obligation Refunding Loan.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 4 CAPITAL ASSETS**

An analysis of the changes in capital assets for the years ended December 31, 2020 and 2019, follows:

	2020			Balance at December 31, 2020
	Balance at December 31, 2019	Increases	Decreases	
Capital Assets, Not Being Depreciated:				
Land	\$ 94,243	\$ -	\$ -	\$ 94,243
Water Rights	980,105	-	-	980,105
Easements	152,989	-	-	152,989
Construction in Progress	404,808	294,947	-	699,755
Total Capital Assets, Not Being Depreciated	1,632,145	294,947	-	1,927,092
Capital Assets, Being Depreciated:				
Water Distribution System	9,387,464	237,116	-	9,624,580
Total Capital Assets, Being Depreciated	9,387,464	237,116	-	9,624,580
Less Accumulated Depreciation for:				
Water Distribution System	3,264,861	267,145	-	3,532,006
Total Accumulated Depreciation	3,264,861	267,145	-	3,532,006
Total Capital Assets, Being Depreciated, Net	6,122,603	(30,029)	-	6,092,574
Capital Assets, Net	<u>\$ 7,754,748</u>	<u>\$ 264,918</u>	<u>\$ -</u>	<u>\$ 8,019,666</u>

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

	2019			Balance at December 31, 2019
	Balance at December 31, 2018	Increases	Decreases	
Capital Assets, Not Being Depreciated:				
Land	\$ 94,243	\$ -	\$ -	\$ 94,243
Water Rights	980,105	-	-	980,105
Easements	152,989	-	-	152,989
Construction in Progress	107,831	296,977	-	404,808
Total Capital Assets, Not Being Depreciated	1,335,168	296,977	-	1,632,145
Capital Assets, Being Depreciated:				
Water Distribution System	9,387,464	-	-	9,387,464
Total Capital Assets, Being Depreciated	9,387,464	-	-	9,387,464
Less Accumulated Depreciation for:				
Water Distribution System	3,021,427	243,434	-	3,264,861
Total Accumulated Depreciation	3,021,427	243,434	-	3,264,861
Total Capital Assets, Being Depreciated, Net	6,366,037	(243,434)	-	6,122,603
Capital Assets, Net	<u>\$ 7,701,205</u>	<u>\$ 53,543</u>	<u>\$ -</u>	<u>\$ 7,754,748</u>

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 5 LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2020:

	Balance December 31, 2019	Additions	Reductions	Balance December 31, 2020	Amounts Due Within One Year
Bonds Payable:					
2010 GO Refunding and Improvement Bonds	\$ 1,880,000	\$ -	\$ 1,880,000	\$ -	\$ -
Bond Premium	50,375	-	50,375	-	-
2017 GO Refunding and Improvement Bonds	4,605,000	-	70,000	4,535,000	75,000
Bond Premium	267,197	-	14,729	252,468	-
Subtotal Bonds Payable	<u>6,802,572</u>	<u>-</u>	<u>2,015,104</u>	<u>4,787,468</u>	<u>75,000</u>
Debt from Direct Borrowings and Direct Placements:					
2020 GO Refunding Loan	-	1,970,000	-	1,970,000	110,000
Subtotal Direct Debts	<u>-</u>	<u>1,970,000</u>	<u>-</u>	<u>1,970,000</u>	<u>110,000</u>
Total Long-Term Obligations	<u>\$ 6,802,572</u>	<u>\$ 1,970,000</u>	<u>\$ 2,015,104</u>	<u>\$ 6,757,468</u>	<u>\$ 185,000</u>

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2019:

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Amounts Due Within One Year
Bonds Payable:					
2010 GO Refunding and Improvement Bonds	\$ 1,955,000	\$ -	\$ 75,000	\$ 1,880,000	\$ 75,000
Bond Premium	57,580	-	7,205	50,375	-
2017 GO Refunding and Improvement Bonds	4,670,000	-	65,000	4,605,000	70,000
Bond Premium	282,015	-	14,818	267,197	-
Total Long-Term Obligations	<u>\$ 6,964,595</u>	<u>\$ -</u>	<u>\$ 162,023</u>	<u>\$ 6,802,572</u>	<u>\$ 145,000</u>

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

The detail of the District's bonds payable is as follows:

**General Obligation Refunding and Improvement Bonds, Series 2010**

On October 5, 2010, the District authorized the issuance of General Obligation Refunding Bonds dated December 1, 2010. The bonds partially refunded the General Obligation Refunding and Improvement Bonds Series 2007 and provided additional funding to construct and install certain improvements to the District's water system. The bonds bear interest at rates between 2.25% and 5.00%, payable semiannually on each June 1 and December 1, commencing on June 1, 2013. The bonds maturing on and before December 1, 2020 are not subject to redemption prior to their respective maturity dates. The bonds maturing December 1, 2025 are subject to mandatory sinking fund redemption commencing on December 1, 2021 and each December thereafter. The Bonds maturing on and after December 1, 2025 are subject to redemption prior to maturity as a whole or in integral multiples of \$5,000, at the option of the District, on December 1, 2020 upon payment of par and accrued interest, without redemption premium. The Series 2010 bonds were refunded with the issuance of the Series 2020 Loan.

**General Obligation Refunding and Improvement Bonds, Series 2017**

On November 7, 2017, the District authorized the issuance of General Obligation Refunding Bonds dated December 1, 2017. The bonds refunded the General Obligation Refunding and Improvement Bonds Series 2007 and provided additional funding to construct and install certain improvements to the District's water system. The bonds bear interest at rates between 2.00% and 5.00%, payable semiannually on each June 1 and December 1, commencing on June 1, 2018. The bonds maturing on and before December 1, 2022 are not subject to redemption prior to their respective maturity dates. The bonds maturing December 1, 2032 are subject to mandatory sinking fund redemption commencing on December 1, 2031 and each December thereafter. The Bonds maturing on and after December 1, 2032 are subject to redemption prior to maturity as a whole or in integral multiples of \$5,000, at the option of the District, on December 1, 2026, and any date thereafter, upon payment of par and accrued interest, without redemption premium.

**General Obligation Refunding Loan, Series 2020**

On September 1, 2020, the District authorized the issuance General Obligation Refunding Loan dated September 10, 2020. The loan refunded the General Obligation Refunding and Improvement Bonds Series 2010. The loan bears an interest rate of 1.32% payable semiannually on June 1 and December 1, commencing on December 1, 2020 with the principal payment commencing on December 1, 2021. The loan matures on December 1, 2030. The loan may not be prepaid, in whole or in part, on any date, without the prior written permission of the Bank.

The District reduced its aggregate debt service payments by \$295,954 over the next 10 years and obtained an economic gain (difference between the present values of the old and new debt payments) of \$278,547.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

The occurrence or existence of any one or more of the following events shall be an Event of Default:

- (a) The District fails to pay the principal and interest on the Loan when due;
- (b) The District fails or refuses to impose the Required Mill Levy;
- (c) The District materially fails in the performance or observation of any of the covenants, agreements, or conditions on the part of the District and fails to remedy the same within 30 days after notice; or
- (d) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Loan.

Acceleration shall not be an available remedy for the occurrence or continuation of an Event of Default unless the Bank has directed such acceleration.

The District's long-term obligations will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 185,000	\$ 204,647	\$ 389,647
2022	190,000	200,196	390,196
2023	190,000	195,410	385,410
2024	210,000	192,902	402,902
2025	215,000	190,130	405,130
2026-2030	1,140,000	907,024	2,047,024
2031-2035	1,300,000	761,219	2,061,219
2036-2040	1,570,000	477,617	2,047,617
2041-2044	1,505,000	128,757	1,633,757
Total Payments	<u>\$ 6,505,000</u>	<u>\$ 3,257,902</u>	<u>\$ 9,762,902</u>

**Authorized Debt**

At December 31, 2020 and 2019, the District had no authorized but unissued debt.

**NOTE 6 INCLUSION AGREEMENTS**

**Homestead Heights, LLC**

On November 21, 2006, the District entered into an inclusion agreement with Homestead Heights, LLC (Homestead) associated with property known as Homestead Heights, II. The agreement calls for Homestead to pay a system development fee in the amount of \$16,000 for the first fifteen units and the remaining system development fees will be due prior to the issuance of building permits. The agreement for inclusion is for approximately 56 residential lots. Homestead also agreed to post fees deposits in increments of \$10,000 as requested by the District to satisfy all District incurred costs from the start of the inclusion process to the completion of a final conveyance and acceptance agreement. Upon completion of the inclusion process, any remaining funds on deposit with the District shall be refunded to Homestead.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 6 INCLUSION AGREEMENTS (CONTINUED)**

**Homestead Heights, LLC (Continued)**

On January 24, 2008, the District amended the inclusion fee incremental refundable deposits to \$5,000 from \$10,000. On December 5, 2007, the District filed a statement of lien on the property owned by Homestead Heights, LLC in the amount of \$240,000 for the 15 system development fees that were to be prepaid by Homestead within 30 days of the execution of the agreement. On August 20, 2008, the District and Homestead entered into the first amendment to the inclusion agreement. In the amended agreement, the District agreed to remove the \$240,000 lien placed on the property. Additionally, the payment terms for the system development fees were modified such that Homestead is to remit the system development fees, at the District's then current system development fee rate, within certain periods following the issuance of building permits by the county. During 2020 and 2019 the District received \$-0- system development fees related to this inclusion agreement.

**Hayesmount Properties, LLC**

On August 23, 2007, the District entered into an inclusion agreement with Hayesmount Properties, LLC (Hayesmount) associated with property known as Hayesmount Estates. Under the agreement, Hayesmount must pay system development fees for the first five units either within 120 days of recordation of a final plat for the Hayesmount Estates development or prior to the start of construction, whichever occurs first. The system development fees on all remaining lots shall be due and owing prior to the issuance of building permits by the County. The agreement for inclusion is for approximately 21 single-family detached lots. Hayesmount also agreed to post fees deposits in increments of \$10,000 as requested by the District to satisfy all District incurred costs from the start of the inclusion process to the completion of a final conveyance and acceptance agreement. Upon completion of the inclusion process, any remaining funds on deposit with the District shall be refunded to the Hayesmount. On January 24, 2008, the District amended the inclusion fee incremental refundable deposits to \$5,000 from \$10,000. During 2020 and 2019 the District received \$63,900 and \$276,900, respectively, in system development fees related to this inclusion agreement.

**Ridgeview Estates LLC**

On July 24, 2008, the District entered into an inclusion agreement with Ridgeview Estates LLC (Ridgeview) associated with property known as the Ridgeview Estates Subdivision. Under the agreement, Ridgeview must provide adjudicated water rights associated with the 62.3-acre Ridgeview Estates Subdivision to the District through a Special Warranty Deed. Upon inclusion into the District, the District will provide water for 21 approximately 2.5 acre lots in the Ridgeview Estates Subdivision. Ridgeview is responsible for the construction of a single 8-inch looped water line (Water Improvements) in accordance with District specifications. Upon completion of the Water Improvements, Ridgeview shall convey the Water Improvements to the District. System development fees are to be collected on an equivalent residential unit basis on the properties within the Ridgeview Estates Subdivision. Ridgeview also agreed to post a fees deposit in increments of \$5,000 as requested by the District to satisfy all District incurred costs from the start of the inclusion process to the completion of a final conveyance and acceptance agreement. Upon completion of the inclusion process, any remaining funds on deposit with the District shall be refunded to the Ridgeview. During 2020 and 2019 the District received no system development fees related to this inclusion agreement.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 7 WATER LEASE OPTION AGREEMENT**

On January 23, 2007, the District entered into a water lease option agreement with Box Elder Creek Ranch Water Company (Box Elder). The agreement grants Box Elder an option to lease a portion of its Laramie-Fox Hills aquifer ground water available for specific uses. Each year this agreement is in effect, Box Elder shall pay to the District a reservation/lease fee of \$7,500 per year, regardless of use, on or before January 10. The reservation/lease fee shall increase by the Denver-Boulder Consumer Price Index plus 1% compounded, annually. Box Elder shall also reimburse the District for a proportional amount of the energy and administrative costs incurred by the District to pump the Laramie Water to the Box Elder stream bed for Box Elder's benefit. The District waived the CPI adjustments and collected lease revenue of \$7,500 in 2020 and \$7,500 in 2019 under this agreement.

On November 4, 2010, the agreement was amended to provide for the delivery of Laramie Water to Box Elder on a rolling three-year schedule and provisions related to the District's SCADA system. Box Elder may install and connect to the District's SCADA System in the future at its option. If Box Elder chooses this option, it shall be responsible for any hard and soft costs associated with the installation of the system at its pond and recharge pond.

Effective July 8, 2016, the District and Box Elder entered into an Amended and Restated Water Lease Option Agreement (Restated Agreement) which amended and restated the original agreement in its entirety. The District is entitled to withdraw an average annual amount of up to 105.2 acre-feet per year of Laramie-Fox Hills aquifer ground water. Pursuant to the Restated Agreement, the District granted to Box Elder an option to lease from the District up to 65 acre-feet of Laramie Water per year for augmentation purposes, as more particularly described in the Restated Agreement, subject to availability as determined solely by the District.

On an annual basis, Box Elder shall notify the District of the total amount of its anticipated need for the Reserved Laramie Water over a three (3)-year period and the District will notify Box Elder of the amount of Reserved Laramie Water available for lease. If Box Elder chooses not to exercise its option to lease the Reserved Laramie Water, in whole or in part, then the District may lease such Reserved Laramie Water not otherwise leased to Box Elder to a third party. Any lease entered into by the District with a third party shall expire on or before March 31 of the following year. If the District determines that it does not have at least thirty (30) acre-feet of Laramie Water available to lease to Box Elder during any year for the term of the Restated Agreement, the District shall notify Box Elder of that fact and shall not be required to lease or deliver any Laramie Water to Box Elder for that year and the fee paid for that year by Box Elder shall be refunded. However, Box Elder may, at its option, accept such lesser amount of Laramie Water in which case the fee paid will not be refunded.

On or before January 10 of each year the Restated Agreement is in effect, Box Elder shall pay to the District a reservation/lease fee in the amount of \$7,500 per year, regardless of use. To account for inflation, the fee shall increase by the Denver-Boulder Consumer Price Index, plus 1% annually. In the event that Box Elder doesn't pay the fee by dates specified in the Restated Agreement, the District shall be entitled to terminate the Restated Agreement.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 7 WATER LEASE OPTION AGREEMENT (CONTINUED)**

If Box Elder exercises its option to lease the Reserved Laramie Water, Box Elder shall also reimburse the District for a proportional amount of the operation, maintenance, administration, and energy costs, including, but not limited to, labor and mileage of District employees or independent contractors, all incurred by the District to pump the Laramie Water to Box Elder.

The Restated Agreement shall be in effect until May 16, 2032; provided, however, that the Restated Agreement shall automatically renew for an additional five (5)-year term unless otherwise terminated by either Party in writing at least thirty (30) days prior to the renewal date.

**NOTE 8 NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2020 and 2019, the District had net investment in capital assets, calculated as follows:

	<u>2020</u>	<u>2019</u>
Net Investment in Capital Assets:		
Capital Assets, Net	\$ 8,019,666	\$ 7,754,748
Unspent Bond Proceeds	1,147,459	1,669,525
Unamortized Bond Insurance, Net	19,357	33,576
Current Portion of Long-Term Obligations	(185,000)	(145,000)
Unamortized Loss on Debt Refunding, Net	72,294	111,594
Noncurrent Portion of Long-Term Obligations	<u>(6,572,468)</u>	<u>(6,657,572)</u>
Net Investment in Capital Assets	<u>\$ 2,501,308</u>	<u>\$ 2,766,871</u>

Restricted net position includes amounts that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2020 and 2019, as follows:

	<u>2020</u>	<u>2019</u>
Restricted Net Position:		
Emergencies	\$ 17,100	\$ 12,900
Debt Service	<u>82,124</u>	<u>32,308</u>
Total Restricted Net Position	<u>\$ 99,224</u>	<u>\$ 45,208</u>

The District's unrestricted net position as of December 31, 2020 and 2019, is \$3,463,459 and \$2,873,152 respectively.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 9 RISK MANAGEMENT**

Except as provided under the Colorado Governmental Immunity Act, as may be amended from time to time, the District may be 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 maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for 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.

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS**

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

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. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District is of the opinion that its water activity enterprise, and all activities related thereto are carried on as an Enterprise within the meaning of TABOR and the Enterprise Act, C.R.S. 37-45.1-01, et seq. The District's annual budget and financial statements are deemed by the District to be the annual budget and financial statements of the Enterprise.

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and many of the provisions, including the calculation of fiscal year spending limits, growth factors, and qualification as an Enterprise, may require judicial interpretation.

On May 5, 1998, a majority of the District's voters approved the following ballot question: Shall Greatrock North Water and Sanitation District taxes be increased \$200,000 annually in the first full fiscal year by the imposition of a mill levy on all taxable property within the boundaries of the District, which mill levy shall generate not more than said annual amount in ad valorem property tax revenues for the District in the first full fiscal year for the purposes of the operation and maintenance of the District's services and facilities; and shall the revenues generated by such taxes in each year thereafter be approved as an increased levy without regard to the tax increase limitation contained in Section 29-1-301, Colorado Revised Statutes, or any other tax increase limitation under any other law; and shall the revenue changes caused by the collection and spending of such tax revenues in every year be approved, permitting such tax revenues and any investment earnings thereon be collected and spent by the District without limitation or condition, and without limiting the collection or spending of any other revenues or funds by the District under Article X, Section 20 of the Colorado Constitution or any other law?

On May 6, 2008, a majority of the District's voters approved the following ballot question: Shall Greatrock North Water and Sanitation District be authorized to retain all revenues generated by or from rates, fees, tolls, charges, specific ownership taxes, agreements with other local governments, grants from the state or from any local government, lottery distributions, and any other revenues generated or received by the District, including reduction in debt service, in 1998 and in all subsequent years (which amounts does not include revenues generated from ad valorem property taxes); and shall the District be authorized to spend such revenues and investment income thereon as a voter-approved revenue change and an exception to and spending limitations which might otherwise apply?

On May 6, 2008, a majority of the District's voters approved the following ballot question: Shall Greatrock North Water and Sanitation District taxes be increased \$300,000 annually (for collection in calendar year 2008) and by the additional amounts that are raised annually thereafter by the imposition of an ad valorem property tax levy of 35 mills for the purpose of paying the District's administration, operations and maintenance and other similar expenses, and shall the revenue from such taxes and any investment income thereon together with all revenue received prior to calendar year 2008 from imposition of the District's operations mill levy and any investment income thereon be collected, retained and spent by the District in each fiscal year prior to, through and including 2008 and thereafter as a voter-approved revenue changes without regard to any spending, revenue-raising, or other limitation contained within Articles X, Section 20 of the Colorado Constitution, the limits imposed on increased in property taxation by Section 29-1-301, C.R.S in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 11 ESTIMATED CLOSURE COSTS**

The District utilizes two evaporation ponds (impoundments) as part of its water treatment waste management. The impoundments are classified as Type B and subject to the requirements of the Hazardous Material and Waste Management Division's (Division) Regulations Pertaining to Solid Waste Sites and Facilities (the Regulations). Section 9.3.4 (F) and Section 1.8 of the Regulations requires the District to estimate the closure costs if the impoundments owned and used by the District were to be closed.

The District's engineer has provided an estimate of the closure costs based on the closure plan presented in the *Engineering, Design, and Operation Plan dated May 2013, Revision 2* submitted to the Division in May 2013. The closure plan follows a clean-in-place closure thereby eliminating the need for environmental covenant and post-closure care and costs. The closure costs were gathered from suppliers, contractors, and an internal database of historical project costs for the area. The estimates include the cost of engineering oversight, soil disposal, testing, liner removal and disposal, site grading, seeding, piping abandonment, erosion control as well as a contingency. As of December 31, 2020, the estimated closure costs for the impoundments are \$389,515. As of the date of the audit report, the District has no plans or intentions nor has it been ordered to close the impoundments, therefore, no liability has been recorded on the financial statements of the District in connection with the estimated costs.

## **SUPPLEMENTARY INFORMATION**

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN  
FUNDS AVAILABLE –  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual Amounts	Variance with Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 928,348	\$ 928,348	\$ 929,721	\$ 1,373
Specific Ownership Taxes	55,999	55,999	68,129	12,130
Interest Income	61,000	61,000	33,966	(27,034)
Miscellaneous	-	-	1,228	1,228
Grant Revenue	1,000,000	1,000,000	-	(1,000,000)
Service Charges - Greatrock	165,662	165,662	210,691	45,029
Service Charges - Rocking Horse	121,646	121,646	141,731	20,085
Service Charges - Box Elder	193,555	193,555	196,633	3,078
Service Charges - Hayesmount	-	-	19,070	19,070
Available of Service Fees	2,500	2,500	4,175	1,675
Inspection Fees	-	-	2,532	2,532
Transfer Fees	-	-	7,700	7,700
Water Meters	-	-	1,633	1,633
Dev Fees - Hayesmount Estates	106,500	106,500	63,900	(42,600)
Irrigation Lease Revenue	7,500	7,500	7,500	-
Late Fees / Penalties	-	-	4,664	4,664
Total Revenues	2,642,710	2,642,710	1,693,273	(949,437)
<b>EXPENDITURES</b>				
General and Administrative:				
Accounting	28,000	60,000	49,105	10,895
Audit	9,000	9,000	8,357	643
County Treasurer's Fee	13,925	13,925	13,962	(37)
Directors' Fees	6,000	6,800	6,700	100
District Management	62,000	100,000	91,865	8,135
Election	10,000	10,000	2,503	7,497
Insurance and Bonds	22,000	22,000	18,791	3,209
Legal	60,250	75,000	68,512	6,488
Miscellaneous	15,000	15,000	7,510	7,490
Payroll Taxes	450	700	645	55
Website	2,000	2,000	-	2,000
Operations:				
Customer Billing	20,000	45,000	34,924	10,076
Distribution System Mntc	19,012	19,012	9,771	9,241
Engineering - Administration	35,350	35,350	24,196	11,154
Engineering - Operations	33,320	33,320	10,560	22,760
Equipment and Tools	3,000	5,000	2,263	2,737
Facility Maintenance & Repair	15,800	70,000	67,329	2,671
Generator Preventative Mntc	12,000	12,000	9,717	2,283
GIS	7,000	7,500	6,912	588

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN  
FUNDS AVAILABLE –  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual Amounts	Variance with Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Locates	\$ 5,000	\$ 5,000	\$ 3,222	\$ 1,778
Meter Reading	8,000	9,000	7,879	1,121
Operator Services	64,624	64,624	57,928	6,696
Plant Supplies	8,100	10,000	9,252	748
Project Mgmt / Oper Admin	3,200	3,200	3,146	54
Rules and Regulations	1,500	1,500	-	1,500
Testing and Reporting	9,800	9,800	7,885	1,915
Treatment - Maintenance & Repair	44,000	44,000	6,777	37,223
Water Meters - Cap	5,500	10,000	8,386	1,614
Water Rights Dev - Eng.	35,500	75,000	58,519	16,481
Water Rights Dev-Legal	50,000	50,000	10,922	39,078
Well - Rehab & Repair	85,000	85,000	-	85,000
Utilities	48,300	70,000	61,972	8,028
Contingency	76,000	100,000	-	100,000
Debt Service:				
Bond Interest - 2010	93,250	93,250	40,355	52,895
Bond Interest - 2017	180,744	180,744	180,569	175
Loan Interest - 2020	-	5,851	8,018	(2,167)
Bond Principal - 2010	75,000	75,000	75,000	-
Bond Principal - 2017	70,000	70,000	70,000	-
Loan Issue Costs	135,000	135,000	114,750	20,250
Paying Agent Fees	600	8,600	1,000	7,600
Capital Outlay:				
Alluvial Well	135,000	135,000	52,989	82,011
Concentrate Pond	1,050,000	1,050,000	53,868	996,132
Reverse Osmosis Unit Upgrade	2,072,500	2,272,500	188,090	2,084,410
Meter Upgrades	200,000	213,000	203,281	9,719
Capital Repair & Replacement	-	22,000	33,835	(11,835)
Contingency	-	1,741,269	-	1,741,269
Total Expenditures	<u>4,830,725</u>	<u>7,080,945</u>	<u>1,691,265</u>	<u>5,389,680</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,188,015)</b>	<b>(4,438,235)</b>	<b>2,008</b>	<b>4,440,243</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Loan Proceeds	1,940,000	1,940,000	1,970,000	30,000
Payment to Refunding Escrow	(1,805,000)	(1,850,000)	(1,849,751)	249
Total Other Financing Sources (Uses)	<u>135,000</u>	<u>90,000</u>	<u>120,249</u>	<u>30,249</u>
<b>NET CHANGE IN FUNDS AVAILABLE</b>	<b>(2,053,015)</b>	<b>(4,348,235)</b>	<b>122,257</b>	<b>4,470,492</b>
Funds Available - Beginning of Year	<u>4,558,121</u>	<u>4,594,505</u>	<u>4,587,885</u>	<u>(6,620)</u>
<b>FUNDS AVAILABLE - END OF YEAR</b>	<u><u>\$ 2,505,106</u></u>	<u><u>\$ 246,270</u></u>	<u><u>\$ 4,710,142</u></u>	<u><u>\$ 4,463,872</u></u>

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO STATEMENTS OF  
REVENUES, EXPENSES, AND CHANGE IN NET POSITION  
YEAR ENDED DECEMBER 31, 2020**

	<u>Actual Amounts</u>
<b>FUNDS AVAILABLE DEFINED AS FOLLOWS:</b>	
Current Assets	\$ 5,753,405
Restricted Current Assets	
Less Current Liabilities	(83,582)
Less Deferred Inflow of Resources	(959,681)
Funds Available	<u>\$ 4,710,142</u>
 <b>RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>	
Revenues (Budgetary Basis)	\$ 3,663,273
Loan Proceeds	(1,970,000)
Total Revenues per Statement of Revenues, Expenses, and Changes in Net Position	<u>1,693,273</u>
 Expenditures (Budgetary Basis)	 3,541,016
Depreciation	267,145
Capital Outlay	(532,063)
Bond Principal Payments	(145,000)
Amortization of Deferred Loss on Debt Refunding Costs	15,344
Amortization of Prepaid Bond Insurance Premium	14,219
Amortization of Bond Premium	(21,369)
Interest on 2010 Bonds Included in Payment to Escrow Agent	24,972
Payment to Escrow Agent	(1,849,751)
Total Expenses per Statement of Revenues, Expenses, and Changes in Net Position	<u>1,314,513</u>
Change in Net Assets per Statement of Revenues, Expenses, and Changes in Net Position	<u>\$ 378,760</u>

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2020**

Year Ending	\$4,730,000 General Obligation Refunding and Improvement Bonds - Series 2017 Dated November 14, 2017 Interest Rate - 2.00% - 5.00% Interest Due June 1 and December 1 Principal Due December 1			\$1,970,000 General Obligation Refunding Loan Series 2020 Dated December 1, 2020 Interest Rate - 1.32% Interest Due June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 75,000	\$ 178,643	\$ 253,643	\$ 110,000	\$ 26,004	\$ 136,004
2022	85,000	175,644	260,644	105,000	24,552	129,552
2023	-	172,244	172,244	190,000	23,166	213,166
2024	-	172,244	172,244	210,000	20,658	230,658
2025	-	172,244	172,244	215,000	17,886	232,886
2026	-	172,244	172,244	215,000	15,048	230,048
2027	-	172,244	172,244	230,000	12,210	242,210
2028	-	172,244	172,244	225,000	9,174	234,174
2029	-	172,244	172,244	230,000	6,204	236,204
2030	-	172,244	172,244	240,000	3,168	243,168
2031	240,000	172,244	412,244	-	-	-
2032	250,000	162,644	412,644	-	-	-
2033	260,000	152,644	412,644	-	-	-
2034	270,000	142,243	412,243	-	-	-
2035	280,000	131,444	411,444	-	-	-
2036	290,000	120,243	410,243	-	-	-
2037	300,000	108,644	408,644	-	-	-
2038	315,000	96,643	411,643	-	-	-
2039	320,000	84,044	404,044	-	-	-
2040	345,000	68,043	413,043	-	-	-
2041	360,000	50,794	410,794	-	-	-
2042	370,000	38,644	408,644	-	-	-
2043	385,000	26,156	411,156	-	-	-
2044	390,000	13,163	403,163	-	-	-
Total	<u>\$ 4,535,000</u>	<u>\$ 3,099,832</u>	<u>\$ 7,634,832</u>	<u>\$ 1,970,000</u>	<u>\$ 158,070</u>	<u>\$ 2,128,070</u>

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)  
DECEMBER 31, 2020**

Year Ending	Totals		
	Principal	Interest	Total
2021	\$ 185,000	\$ 204,647	\$ 389,647
2022	190,000	200,196	390,196
2023	190,000	195,410	385,410
2024	210,000	192,902	402,902
2025	215,000	190,130	405,130
2026	215,000	187,292	402,292
2027	230,000	184,454	414,454
2028	225,000	181,418	406,418
2029	230,000	178,448	408,448
2030	240,000	175,412	415,412
2031	240,000	172,244	412,244
2032	250,000	162,644	412,644
2033	260,000	152,644	412,644
2034	270,000	142,243	412,243
2035	280,000	131,444	411,444
2036	290,000	120,243	410,243
2037	300,000	108,644	408,644
2038	315,000	96,643	411,643
2039	320,000	84,044	404,044
2040	345,000	68,043	413,043
2041	360,000	50,794	410,794
2042	370,000	38,644	408,644
2043	385,000	26,156	411,156
2044	390,000	13,163	403,163
Total	<u>\$ 6,505,000</u>	<u>\$ 3,257,902</u>	<u>\$ 9,762,902</u>

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
DECEMBER 31, 2020**

Levy/Collection Year	Assessed Valuation	Percent Change	Mills Levied			Total Property Taxes		Percentage Collected to Levied
			General	Debt	Total	Levied	Collected	
2012/2013	\$ 11,217,880	-	27.000	18.500	45.500	\$ 510,414	\$ 509,506	99.82%
2013/2014	10,900,660	-2.83%	28.340	18.500	46.840	510,587	511,135	100.11
2014/2015	10,921,110	0.19	28.340	18.500	46.840	511,545	511,545	100.00
2015/2016	12,615,550	15.52	28.340	18.500	46.840	590,913	590,549	99.94
2016/2017	12,985,840	2.94	28.340	18.500	46.840	608,257	608,257	100.00
2017/2018	14,882,390	14.60	24.167	27.250	51.417	765,208	765,208	100.00
2018/2019	15,246,500	2.45	25.882	25.650	51.532	785,683	785,678	100.00
2019/2020	19,752,080	29.55	26.750	20.250	47.000	928,348	929,721	100.15
Estimated for:								
2020/2021	\$ 20,365,420	3.11%	30.500	16.500	47.000	\$ 957,174		

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy if delinquent taxes are collected.

**CONTINUING DISCLOSURE  
ANNUAL FINANCIAL INFORMATION**

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
BUDGET TO ACTUAL (NON-GAAP) COMPARISON OF RESULTS OF OPERATIONS –  
WATER ENTERPRISE  
YEAR ENDED DECEMBER 31, 2020**

**Assessed and Actual Valuation of Classes of Property in the District**

Class	Assessed Valuation	Percent of Assessed Valuation	"Actual" Valuation	Percent of "Actual" Valuation
Residential	\$ 19,170,760	94.13%	\$ 268,122,517	98.49%
Vacant Land	472,390	2.32%	1,628,931	0.60%
Personal Property	632,870	3.11%	2,182,310	0.80%
Oil and Gas	49,280	0.24%	169,931	0.06%
Agricultural	27,660	0.14%	95,379	0.04%
State Assessed	12,460	0.06%	42,966	0.02%
Total	<u>\$ 20,365,420</u>	<u>100.00%</u>	<u>\$ 272,242,035</u>	<u>100.00%</u>

**Largest Taxpayers Within the District**

Name	2020 Assessed Valuation	Percent of Total Assessed Valuation
United Power Inc	\$ 225,820	1.11%
Front Range Pipeline Company LLC	204,230	1.00%
Public Service of Colorado (Xcel)	130,090	0.64%
Country Club Ranchettes LLC	85,350	0.42%
Jeffrey Homes Inc	80,040	0.39%
Individual Homeowner	69,590	0.34%
Individual Homeowner	68,980	0.34%
Individual Homeowner	67,270	0.33%
Individual Homeowner	67,200	0.33%
Individual Homeowner	65,810	0.32%
Total	<u>\$ 1,064,380</u>	<u>5.23%</u>

**GREATROCK NORTH WATER AND SANITATION DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
BUDGET TO ACTUAL (NON-GAAP) COMPARISON OF RESULTS OF OPERATIONS –  
WATER ENTERPRISE  
YEAR ENDED DECEMBER 31, 2020**

	Year Ended December 31,					
	2015	2016	2017	2018	2019	2020
G.O. Debt Outstanding	\$ 5,230,000	\$ 5,040,000	\$ 6,745,000	\$ 6,625,000	\$ 6,485,000	\$ 6,505,000
Estimated Population	1,050	1,050	1,050	1,050	1,050	1,050
Debt Per Capita	\$ 4,981	\$ 4,800	\$ 6,424	\$ 6,310	\$ 6,176	\$ 6,195
District Assessed Value	\$ 12,615,550	\$ 12,985,840	\$ 14,882,390	\$ 15,246,500	\$ 19,752,080	\$ 20,365,420
Ratio of Debt to Assessed Value	41.46%	38.81%	45.32%	43.45%	32.83%	31.94%
Personal Income Per Capita (Adams County)	\$ 36,962	\$ 38,378	\$ 41,321	\$ 43,544	\$ 45,481	Unavailable
Ratio of Debt Per Capita to Personal Income Per Capital (Adams County)	13.48%	12.51%	15.55%	14.49%	13.58%	Unavailable