

WILLOWBROOK WATER AND SANITATION DISTRICT
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**BASIC FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION**

December 31, 2020 and 2019

L. PAUL GOECKE P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Board of Directors

Willowbrook Water and Sanitation District

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Willowbrook Water and Sanitation District 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 an opinion 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

Other Matters

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

L. Paul Goedecke P.C.

L. Paul Goedecke, P.C.
July 27, 2021

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

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**Statement of Net Position
December 31, 2020 and 2019**

ASSETS	2020	2019
Current Assets		
Cash and cash equivalents	\$ 17,587,032	\$16,765,335
Investments	-	999,985
Accounts receivable	423,108	328,329
Receivable – County Treasurer	1,595	2,538
Property taxes receivable	376,017	402,154
Accrued interest	-	8,333
Prepaid expenses	23,087	1,815
Total current assets	<u>18,410,839</u>	<u>18,508,489</u>
Capital Assets, Net	<u>11,731,426</u>	<u>11,483,823</u>
Total Assets	<u>\$ 30,142,265</u>	<u>\$29,992,312</u>
LIABILITIES AND NET POSITION		
Current liabilities:		
Accounts and taxes payable	\$ 208,498	\$ 462,238
Deposits	15,562	22,362
Total current liabilities	<u>224,060</u>	<u>484,600</u>
Deferred Inflow of Resources		
Property tax revenue	376,017	402,154
Total deferred inflow of resources	<u>376,017</u>	<u>402,154</u>
Net Position		
Invested in capital assets, net of related debt	11,731,426	11,483,823
Restricted	5,713,992	5,713,992
Unrestricted	12,096,770	11,907,743
Total net position	<u>29,542,188</u>	<u>29,105,558</u>
Total Liabilities, Deferred Inflow of Resources and Net Position	<u>\$ 30,142,265</u>	<u>\$29,992,312</u>

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

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

**Statements of Revenue, Expenses and Changes in Net Position
For the Year Ended December 31, 2020 and 2019**

Operating Revenues	2020	2019
Water revenue	\$ 4,047,552	\$ 3,422,233
Sewer revenue	1,466,365	1,452,269
Late charges/shut offs	358	4,132
Meter sales	4,912	13,380
Other operating revenue	<u>9,750</u>	<u>19,054</u>
Total operating revenue	<u>5,528,937</u>	<u>4,911,068</u>
Operating Expenses		
Water and sewer costs, maintenance and supplies	4,430,775	4,056,397
Bad debt write off old accounts receivables	-	49,459
Depreciation	733,425	733,425
District management	140,858	144,519
Legal	87,244	84,263
Administrative	122,822	118,156
Engineering	107,283	125,120
Utilities	107,260	110,695
Accounting and audit	62,731	59,888
Insurance	21,552	21,640
Director's fees and expenses	<u>5,813</u>	<u>5,383</u>
Total operating expenses	<u>5,819,763</u>	<u>5,508,945</u>
Net Operating Income (Loss)	(290,826)	(597,877)
Non-Operating Revenues (Expenses)		
Tap fees	190,650	828,315
Investment income	112,313	306,249
Property taxes	400,438	332,436
Ownership tax	30,060	29,352
Treasurer's fees	<u>(6,007)</u>	<u>(4,985)</u>
Total non-operating revenues (expenses)	<u>727,454</u>	<u>1,491,367</u>
Change in Net Assets	436,628	893,490
Net Position – Beginning of Year	<u>29,105,560</u>	<u>28,212,070</u>
Net Position – End of Year	<u>\$ 29,542,188</u>	<u>\$ 29,105,560</u>

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

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

**Statements of Cash Flows
For the Year Ended December 31, 2020 and 2019**

	2020	2019
Cash flows from operating activities:		
Receipts from customers	\$ 5,434,158	\$ 4,960,177
Payments to suppliers	<u>(5,368,150)</u>	<u>(4,632,500)</u>
Net cash provided by operating activities	<u>66,008</u>	<u>327,677</u>
Cash flows from noncapital financing activities:		
Taxes – property and specific ownership	431,442	361,444
Treasurers fees	<u>(6,007)</u>	<u>(4,985)</u>
Net cash provided by noncapital financing activities	<u>425,435</u>	<u>356,459</u>
Cash flows from capital financing activities:		
Acquisition of capital assets-construction in progress-net	(981,028)	(147,258)
Tap fees received	<u>190,650</u>	<u>828,315</u>
Net cash provided by capital financing activities	<u>(790,378)</u>	<u>681,057</u>
Cash flows from investing activities:		
Interest income	120,647	306,528
Net (purchases) maturity of investments	<u>999,985</u>	<u>972,500</u>
Net cash provided (required) by investing activities	<u>1,120,632</u>	<u>1,279,028</u>
Net increase (decrease) in cash and equivalents	821,697	2,644,221
Cash and equivalents – beginning of year	<u>16,765,335</u>	<u>14,121,114</u>
Cash and equivalents – end of year	<u>\$ 17,587,032</u>	<u>\$ 16,765,335</u>
Reconciliation of operating (loss) to net cash provided by operating activities:		
Gain (Loss) from operations	(290,826)	(597,878)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	733,425	733,425
(Increase) decrease in assets:		
Accounts receivable	(94,779)	96,870
Prepaid expenses	(21,272)	21,473
Increase (decrease) in liabilities		
Deposits	(6,800)	1,700
Accounts payable related to operations	<u>(253,740)</u>	<u>72,087</u>
Net cash provided by operating activities	<u>\$ 66,008</u>	<u>\$ 327,677</u>

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

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2020 and 2019**

Note 1: Definition of Reporting Entity

The Willowbrook Water and Sanitation District is a political subdivision of the State of Colorado, organized pursuant to Title 32, Section 4, Paragraph 101 through 108, CRS, 1973, as amended, per a district court order on April 29, 1980. The purpose of the District is to provide water and sanitation services to the residents of the District.

The District has no employees and all operation and administrative functions are provided under contract.

The District follows the Governmental Accounting Standards Boards (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 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.

The District has elected to follow GASB pronouncements. Therefore, statements issued by the Financial Accounting Standards Board after November 30, 1989 are not applied. During the year ended December 31, 2004 the District adopted provisions of Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The Statement establishes new financial reporting which requires governmental entities that use proprietary fund accounting, such as the District, to recognize capital contributions on the Statement of Revenue, Expenses and Change in Net Position.

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2020 and 2019**

Note 2: Summary of Significant Accounting Policies

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units accounted for on the enterprise basis. The following is summary of the more significant policies:

- a) 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 property, plant and equipment are shown as increases in assets. Inclusion fees and tap fees are recorded as contributed capital when received unless the fees result from agreements which are subject to liens on the property and have interest bearing receivables.
- b) Operating Revenues and Expenses – The District distinguishes between operating revenues and expenses and nonoperating items in the Statements of Revenues, Expenses and Changes in Net Position. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District’s purpose of providing water and sanitation services to its customers. Operating revenues consist of charges to customers for service provided. Operating expenses include the cost of service, administrative expenses, and depreciation of assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.
- c) Property Tax– Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set during October or November by certification to the County Commissioner to put the tax lien on the individual properties as of December of each year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in installments, at the taxpayers election, in February or June. Delinquent taxpayers are notified in August and tax sales are in November. The County Treasurer remits the taxes collected monthly to the District.

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

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

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**Notes to Financial Statements
December 31, 2020 and 2019**

Note 2: Summary of Significant Accounting Policies (Continued)

- d) Capital Assets – All capital assets are valued at historical costs or estimated historical cost if actual historical cost is not available. Assets with a cost in excess of \$500 are capitalized. Donated capital assets are valued at the estimated fair value on the date donated. Depreciation of all exhaustible capital assets used by proprietary funds is charged as an expense against operations. Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over estimated useful lives using the straight line method. The estimated useful lives are as follows:

Water Distribution System	30	Years
Equipment	5-10	Years

- e) Budget and Budgetary Accounting - In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget assuming it meets the notification and publication requirements. The appropriation is at the total fund expenditures level and lapses at year-end.
- f) Investments – In 1998 the District changed its policy for accounting for investments from the lower of cost or market to fair value in accordance with GASB 31. Gains or losses on the sale of investments are recognized when the investment is sold.
- g) Statement of Cash Flows – For purposes of the statement of cash flows, cash and cash equivalents consist of cash on hand, demand, certain money market and savings accounts at financial institutions. Repurchase agreements, certificates of deposit, and certain money market and U.S. Treasury Notes, are classified as investments and are not reflected as cash in the statement of cash flows.
- h) Accounts Receivable – Water and sewer billings are considered past due if not paid within 45 days. The District posts a 48 hour notice of shut off directly at the site and will charge a turn off fee if not paid within the 48 hours. Additional charges may include turn on fees as necessary.

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2020 and 2019**

Note 2: Summary of Significant Accounting Policies (Continued)

- i) Management Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- j) Contributed Capital – Tap fees as well as lift station fees are recorded as non-operating revenue.

Note 3: Cash and Investments

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

Statement of net position:	
Cash and equivalents	\$ 17,587,032
	<u>\$ 17,587,032</u>

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

Deposits with financial institutions	\$ 2,170,021
Petty cash	3,000
ColoTrust	<u>15,414,011</u>
	<u>\$ 17,587,032</u>

Cash Deposits

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.

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

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**Notes to Financial Statements
December 31, 2020 and 2019**

Note 3: Cash and Investments (Continued)

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, the District's cash deposits had a bank balance of \$2,209,257 and a carrying balance of \$ 2,170,021.

Custodial Credit Risks – Deposits

For deposits, custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2020, none of the District's bank balance of \$2,209,257 was exposed to custodial credit risk.

Investments

Credit Risk

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM funds Governmental Select series) and money market funds (generally held by Bank Trust Departments in their role as Paying Agent or Trustee), and CSAFE, which record their investments at amortized cost.

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

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

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**Notes to Financial Statements
December 31, 2020 and 2019**

Note 3: Cash and Investments (Continued)

- * Obligations of the United States and certain U.S. 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
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Guaranteed investment contracts
- * Local government investment pools

The District generally limits its concentration of investments to those noted with an asterisk (*) above, which are believed to have minimal credit risk; minimal interest rate risk and no foreign currency risk.

The local government investment pools include the Colorado Local Government Liquid Assets Trust (ColoTrust) rated AAAM by Standard & Poor's.

Interest Rate Risk

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 or sinking fund requirements.

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WATER AND SANITATION DISTRICT**

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**Notes to Financial Statements
December 31, 2020 and 2019**

Note 3: Cash and Investments (Continued)

COLOTRUST

The District had 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 Commissioners 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 using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period. 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. As of December 31, 2020, the District has \$15,414,011 invested in COLOTRUST PLUS.

Federal Home Loan Mortgage Corporation (FHLMC) known as Freddie Mac is a public government sponsored enterprise (GSE) created to expand the secondary market for mortgages in the U.S. with a mission to expand the secondary market and sell mortgage backed securities on the open market. Freddie Mac is rated AAA by Moody's and AA+ by S&P.

Concentration of Credit Risk

The District does not have a policy that addresses limitations on the amount that can be invested in any one issuer, however, the District invests primarily in local government investment pools and/or U.S. securities, which are not subject to concentration of credit risk

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2020 and 2019**

Note 4: Changes in Capital Assets

The following schedules show changes in capital assets for 2020:

	Land	Plant, Mains, Equipment, & Easements	Study, Water Projects	Furniture, Equipment & Improvement	Construction in Process	Total
Balance, 12/31/19	\$ 90,000	\$25,386,289	\$ 49,621	\$ 58,420	\$ 123,682	\$25,708,012
Additions/reductions	-	-	-	-	981,028	981,028
	90,000	25,386,289	49,621	58,420	1,104,710	26,689,040
Less:						
Accumulated Depreciation	-	(14,899,194)	-	(58,420)	-	(14,957,614)
Net Capital Assets	<u>\$ 90,000</u>	<u>\$10,487,095</u>	<u>\$ 49,621</u>	<u>\$ -</u>	<u>\$ 1,104,710</u>	<u>\$11,731,426</u>

Depreciation expense for 2020 was \$ 733,425.

Note 5: Tax, Spending and Debt Limitations (continued)

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The District believes the proprietary fund qualifies as a TABOR “Enterprise Fund” and therefore is not subject to TABOR.

Note 6: Reconciliation of Revenues and Expenditures - GAAP Basis to Budgetary Basis

The District prepares its budget on an annual basis. The budget is legally enacted through passage of a resolution. The budgetary comparison in this report is on a non-GAAP budgetary basis. The following reconciliation is presented to reconcile to the GAAP basis financial statements:

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

**Notes to Financial Statements
December 31, 2020 and 2019**

Note 6: Reconciliation of Revenues and Expenditures - GAAP Basis to Budgetary Basis (CONTINUED)

Revenues	
Operating Revenues	\$ 5,528,937
Non-Operating Revenues	<u>733,461</u>
Total Revenues – GAAP Basis and Budgetary Basis	<u><u>\$ 6,262,398</u></u>
Expenditures	
Operating Expenses	5,819,763
Non-Operating Expenses	<u>6,007</u>
Total Expenditures – GAAP Basis	<u><u>\$ 5,825,770</u></u>
Add:	
Capital Improvement	981,740
Less:	
Depreciation	<u>(733,425)</u>
Total Expenditures – Budgetary Basis	<u><u>\$ 6,074,085</u></u>

Note 7: Commitments and Contingencies

A) Service Contracts

Metropolitan Waste Water Reclamation District

The District entered into an agreement with Metropolitan Waste Water Reclamation District (Metro) for final treatment and disposal of the District's sewage. The District retains responsibility for the maintenance and future construction costs of, and retains title to, all sewer lines in the District. The agreement provides for annual estimated charges, which are assessed through the application of a predetermined formula. Adjustments to the estimated charge will be based on meter flows, content, and actual costs. The adjustments re billed or credited to the District during the two succeeding years.

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**Notes to Financial Statements
December 31, 2020 and 2019**

Note 7: Commitments and Contingencies (Continued)

B) Belleview – Simms Connections

In June 1982, the District connected directly to the Denver water system at Belleview and Simms streets at a cost of \$697,150. The contract entered into with Denver entitles the District to a stated, guaranteed water supply in perpetuity. As part of the contract the District was required to build Conduit 129 which cost \$364,000. The costs associated with this system are being amortized over 30 years.

C) Participation in Public Entity Risk Pool

The District is exposed to various risks of loss related to thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2020. 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.

D) Concentration of Risk

The District purchases all of its water from the Denver Water Department. If the Denver Water Department was unable to supply the District with water, the District has no alternate resources currently available.

Note 8: Debt Authorization

The District has no authorized and unissued debt.

SUPPLEMENTAL INFORMATION

**WILLOWBROOK
WATER AND SANITATION DISTRICT**

**Schedule of Revenue and Expenditures and Changes in Funds Available
Budget and Actual - Year Ended December 31, 2020.**

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Sewer revenue	\$ 1,451,868	\$ 1,466,365	\$ 14,497
Water revenue	3,571,009	4,047,552	476,543
Late charges	-	359	359
Meter sales	19,200	4,912	(14,288)
Tap sales	551,250	190,650	(360,600)
Inspection revenue	9,480	2,254	(7,226)
Property and ownership tax	431,654	430,498	(1,156)
Investment income	190,888	112,314	(78,574)
Miscellaneous income	10,470	7,496	(2,974)
Total revenues	\$ 6,235,819	\$ 6,262,400	\$ 26,581
EXPENSES:			
Repairs & maintenance-lift station	14,700	27,078	(12,378)
Contract maintenance-lift station	15,266	18,780	(3,514)
Utilities	113,058	107,261	5,797
Water maintenance	484,775	386,057	98,718
Water purchases	2,091,522	2,474,981	(383,459)
Contract maintenance water	537,242	477,630	59,612
Sewer maintenance	92,149	90,591	1,558
Sewer treatment charge	859,516	778,060	81,456
Contract maintenance - sewer	128,984	118,246	10,738
contract maintenance other reimbursable	16,620	7,117	9,503
Bank charges	52,420	54,904	(2,484)
Engineering	115,000	107,283	7,717
Equipment expense	84,000	52,235	31,765
Director fees/expenses	7,536	5,813	1,723
Legal fees - other	2,500	929	1,571
Legal fees	86,315	86,315	-
Audit	6,250	5,950	300
Office supplies/expense	64,485	37,135	27,350
Management	157,172	140,858	16,314
Accounting	54,600	56,781	(2,181)
Office lease	18,500	17,040	1,460
Insurance	24,000	21,552	2,448
Miscellaneous/newsletter	3,650	11,506	(7,856)
Dues and seminars	4,940	2,237	2,703
County treasurer fees	6,032	6,007	25
Contingency/Bad debt expense	200,000	-	200,000
Capital improvements/equipment expense	1,252,500	981,740	270,760
Total expenditures	\$ 6,493,732	\$ 6,074,086	\$ 419,646

