

SOUTH METRO WISE AUTHORITY
Arapahoe and Douglas Counties, Colorado

FINANCIAL STATEMENTS
Year Ended December 31, 2020

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INDEPENDENT AUDITORS' REPORT

Board of Directors
South Metro WISE Authority
Arapahoe and Douglas Counties, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the South Metro WISE Authority, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the South Metro WISE Authority as of December 31, 2020, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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 opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the South Metro WISE Authority’s basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 31, 2021

BASIC FINANCIAL STATEMENTS

**SOUTH METRO WISE AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	<u>2020</u>
ASSETS	
Cash and Investments	\$ 45,575,325
Accounts Receivable	1,370,924
Prepaid items	36,055
Capital Assets, Not Being Depreciated	12,671,266
Capital Assets, Net	<u>40,135,046</u>
Total assets	<u>99,788,616</u>
LIABILITIES	
Accounts Payable and Retainage Payable	2,913,506
Due to SMWSA	36,080
Operations Deposit	<u>2,339,435</u>
Total liabilities	<u>5,289,021</u>
NET POSITION	
Net Investment in Capital Assets	50,758,331
Unrestricted	<u>43,741,264</u>
Total net position	<u>\$ 94,499,595</u>

See accompanying Notes to Financial Statements.

**SOUTH METRO WISE AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020**

	2020
OPERATING REVENUES	
Members Fees	\$ 500,000
Operations & Maintenance	526,438
Reimbursed Costs	130,515
Water Sales	9,239,383
DIA Connection	1,146,668
CWCB Grant	9,335
Douglas Co Reservation Fee	2,912,956
Total Operating Revenues	14,465,295
OPERATING EXPENSES	
Accounting & Audit	8,477
Engineering	201,385
Insurance & Bonds	29,700
Legal	52,383
Supplies / Meetings/Dues	4,754
Public Relations	29,936
SMWSA Staffing/Office	745,620
System Operations & Operations Split	235,044
Water Purchase	9,239,383
General 3-Party	9,302
WISE Pipeline Operations	143,064
DIA Connection	1,146,668
Other Project Costs (non-capital)	36,590
Douglas County Reservation Fee	2,912,956
Depreciation	970,435
Total Operating Expenses	15,765,697
OPERATING INCOME (LOSS)	(1,300,402)
NONOPERATING REVENUE AND EXPENSES	
Investment Income	147,884
Total Nonoperating Revenue and Expenses	147,884
CAPITAL CONTRIBUTIONS	
Contributions from Members - Binney Connection	41,245,563
Total Capital Contributions	41,245,563
CHANGE IN NET POSITION	40,093,045
NET POSITION - BEGINNING OF YEAR	54,406,550
NET POSITION - END OF YEAR	\$ 94,499,595

See accompanying Notes to Financial Statements.

**SOUTH METRO WISE AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020**

	2020
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from members and others	\$ 11,939,141
Payments to suppliers	(14,985,761)
Net cash (used) by operating activities	(3,046,620)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital contributions	41,964,481
Payments related to acquisition of capital assets	(8,105,024)
Net cash provided by capital and related financing activities	33,859,457
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	147,884
Net cash provided by investing activities	147,884
NET INCREASE IN CASH AND INVESTMENTS	30,960,721
CASH AND INVESTMENTS - BEGINNING OF YEAR	14,614,604
CASH AND INVESTMENTS - END OF YEAR	\$ 45,575,325

See accompanying Notes to Financial Statements.

**SOUTH METRO WISE AUTHORITY
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

	2020
Reconciliation of operating income (loss) to net cash provided by operating activities	
Operating income (loss)	\$ (1,300,402)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	970,435
(Increase) decrease in assets:	
Accounts receivable	1,238,140
Prepaid expenses	(3,137)
Increase (decrease) in liabilities:	
Accounts payable	(154,585)
Due to SMWSA	(32,777)
Unearned revenue	(1,066,883)
Operations deposit	(2,697,411)
Net cash (used) by operating activities	\$ (3,046,620)

See accompanying Notes to Financial Statements.

**SOUTH METRO WISE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 - DEFINITION OF REPORTING ENTITY

The South Metro WISE Authority (Authority) was formed July 10, 2013. The Authority was formed to implement the Water Infrastructure and Supply Efficiency Project (WISE) and help maximize the use of the water resources available to the members. The Authority's members are 10 local governments located in the southern Denver metropolitan areas of south-central Arapahoe and northern Douglas Counties.

The Authority, on behalf of its members, will participate in the WISE Partnership. It is anticipated that the WISE Partnership will provide a projected annual average total of 10,000 acre feet of renewable water. The WISE Partnership-Water Delivery Agreement (WDA) is an agreement between the City and County of Denver, acting by and through its Board of Water Commissioners (Denver), the City of Aurora, acting by and through its Utility Enterprise (Aurora), and the Authority. The WDA is the overarching agreement that defines the terms under which Denver and Aurora will deliver water to the Authority for subsequent delivery to the Authority members. Engineering, design, and construction contracts required to transport water were entered into by the Authority during 2015 in order to begin taking deliveries of water in 2017.

The Authority has no employees and is governed by a 5 member Board of Directors. Three directors are elected from delegates nominated by the governing bodies of the three largest members (plus ties) and two directors are elected from delegates nominated by the remaining members' governing bodies. The Authority contracts for all of its professional services.

As of December 31, 2020, the Authority consisted of ten members who pay annual dues to operate the Authority based on the percentage defined in the South Metro WISE Authority Formation and Organizational Intergovernmental Agreement. The members and their respective allocation of annual dues at December 31, 2020, were as follows:

Centennial Water and Sanitation District	10.00%
Cottonwood Water and Sanitation District	4.00%
Dominion Water & Sanitation District	13.25%
Inverness Water and Sanitation District	5.00%
Meridian Metropolitan District	7.75%
Parker Water and Sanitation District	16.00%
Pinery Water and Wastewater District	5.00%
Rangeview Metropolitan District	9.00%
Stonegate Village Metropolitan District	10.00%
Town of Castle Rock	20.00%
	100.00%

The Authority 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.

**SOUTH METRO WISE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 - DEFINITION OF REPORTING ENTITY (CONTINUED)

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accounting policies of the Authority 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 Authority'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.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Basis of Accounting

The Authority'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 and redemption of bonds and loans is recorded as a reduction in liabilities. Membership fees billed as capital will be recorded as capital contributions at the time they become due. Capital grants from the State of Colorado are recognized as capital contributions when received.

Operating Revenues and Expenses

The Authority distinguishes between operating revenues and expenses and nonoperating items in the Statement 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 Authority's purpose of providing water services to its members. 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.

Budgets

In accordance with the State Budget Law, the Authority'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 is at the total fund expenditures level and lapses at year-end. The Authority'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 budget includes each fund on its basis of accounting unless otherwise indicated.

**SOUTH METRO WISE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents

For purposes of the statement of cash flows, the Authority 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, easements, water rights, pipeline capacity, buildings, distribution systems and machinery and equipment, are reported by the Authority. Capital assets are defined by the Authority 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 estimated acquisition cost at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Any construction in process that will be dedicated to another entity is not depreciated. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives of 5-65 years.

NOTE 3 - CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments	\$ 45,575,325
	<u>\$ 45,575,325</u>

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

Deposits with Financial Institutions	\$ 772,918
Investments	44,802,407
Total Cash and Investments	<u>\$ 45,575,325</u>

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.

**SOUTH METRO WISE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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 Authority's cash deposits had a bank balance of \$1,421,481 and a carrying balance of \$772,918.

Investments

The Authority makes investments pursuant to its investment policy and relevant State of Colorado Statutes.

The Authority 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 Authority is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk 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.

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*

As of December 31, 2020, the Authority had the following investments:

Investments	Maturity	Amount
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted average under 60 days	\$ 42,462,753
Colorado Statewide Investment Pool (CSIP)	Weighted average under 60 days	2,339,654
		<u>\$ 44,802,407</u>

**SOUTH METRO WISE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Colorado Statewide Investment Program (CSIP)

As of December 31, 2020, the Authority invested in the Colorado Statewide Investment Program (CSIP), 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 CSIP. CSIP operates similarly to a money market fund and each share is equal in value to \$1.00. CSIP is rated AAAM by Standard & Poor's and is valued at amortized cost. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

Colorado Surplus Asset Fund Trust (CSAFE)

As of December 31, 2020, the Authority invested in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE operates similar to a money market fund, with each share valued at \$1.00. CSAFE is rated AAAM by Standard & Poor's and is valued at amortized cost. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

NOTE 4 - CAPITAL ASSETS

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

	Balance at December 31, 2019	Additions	Deletions	Balance at December 31, 2020
Capital Assets, Not Being Depreciated				
Construction in Progress	\$ 2,572,826	\$ 10,116,415	\$ (17,975)	\$ 12,671,266
Total Capital Assets, Not Being Depreciated	2,572,826	10,116,415	(17,975)	12,671,266
Infrastructure	42,384,255	-	-	42,384,255
Vehicles and Equipment	1,091,735	54,565	-	1,146,300
Total Capital Assets, Being Depreciated	43,475,990	54,565	-	43,530,555
Infrastructure	(2,245,486)	(848,367)	-	(3,093,853)
Vehicles and Equipment	(179,588)	(122,068)	-	(301,656)
Total Accumulated Depreciation	(2,425,074)	(970,435)	-	(3,395,509)
Total Capital Assets, Being Depreciated, Net	41,050,916	(915,870)	-	40,135,046
Total Capital Assets, Net	\$ 43,623,742	\$ 9,200,545	\$ (17,975)	\$ 52,806,312

**SOUTH METRO WISE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 5 - NET POSITION

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

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 attributed to the acquisition, construction, or improvement of those assets. As of December 31, 2020, the Authority had a net investment in capital assets of \$50,758,331.

The unrestricted component of net position as of December 31, 2020 totaled \$43,741,264.

NOTE 6 - INTERGOVERNMENTAL AGREEMENTS

Personnel and Cost Sharing Agreement

The Authority entered into an Agreement with South Metro Water Supply Authority (SMWSA) dated July 10, 2013. The Agreement allows the Authority and SMWSA to share the costs related to the hiring, management and compensation of personnel, and the costs of personnel related overhead. The percentage allocation will be reviewed from time to time to determine the reasonableness of the allocation and amended upon mutual agreement of the parties.

NOTE 7 - RISK MANAGEMENT

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

The Authority 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.

The Authority pays annual premiums to the Pool for liability, property, workers compensation and public officials' liability. 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.

**SOUTH METRO WISE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 8 - 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, which apply to the State of Colorado and all local governments.

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 Authority's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation.

NOTE 9 - CREDIT TOWARD PIPELINE INFRASTRUCTURE

WISE members, Cottonwood Water and Sanitation District (Cottonwood) and Meridian Metropolitan District (Meridian) were provided credits toward the Pipeline Infrastructure in the amounts of \$1.2 million and \$1.6 million, respectively, in exchange for the conveyance of their ownership interest in the Conduit, which was a component of the pipeline purchase from East Cherry Creek Valley Water and Sanitation District.

Cottonwood used the entire \$1.2 million credit in 2014 for Pipeline Infrastructure. Meridian used \$660,000 of the credit in 2014 for Pipeline Infrastructure and used the remaining \$488,800 in 2020 toward the Binney Connection capital project.

**NOTE 10 - AGREEMENT REGARDING MODIFICATIONS TO SHARED INFRASTRUCTURE
(Modifications Agreement)**

The Modifications Agreement was entered into by East Cherry Creek Valley Water & Sanitation District (ECCV), the South Metro Wise Authority (Wise Authority), and the City and County of Denver acting by and through its Board of Water Commissioners (Denver Water) on October 21, 2014. The Parties agree that modifications are needed to make the pipeline suitable for joint-use, and that Design-Build Construction is necessary to accomplish their individual and mutual objectives. The Parties agree to share the costs of the Design-Build Construction as with the understanding that Denver Water and ECCV will contribute no more than \$3,454,980 each towards the Design-Build Construction. However, the Parties understand that actual Costs may be higher.

The Parties acknowledge that such payments shall secure each Party a significant equitable interest in the Design-Build Construction. However, in the interest of efficient construction and operation of the facilities, not all three Parties will be *title* owners of each facility constructed. The WISE Authority will grant Denver Water and ECCV a joint use license for the Design-Build Construction upon completion. Denver Water shall provide the WISE Authority a joint-use license for use of its ownership interest in the Western Pipeline. Such licenses shall be mutually agreed upon by the Parties. The Parties anticipate that the WISE Authority will hold the contracts and act as "Owner" for the construction of the Design-Build Construction. Notwithstanding that, Denver Water and ECCV shall have the right to review contracts, plans, specifications, drawings, etc. for the construction of the Design-Build Construction.

SUPPLEMENTARY INFORMATION

**SOUTH METRO WISE AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND FUNDS AVAILABLE
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Subscription Member Fees	\$ 500,000	\$ 500,000	\$ -
CWCB Grant	-	9,335	9,335
Operations and Maintenance	525,000	526,438	1,438
DIA Connection	1,146,668	1,146,668	-
Investment Income	115,000	147,884	32,884
Water Sales	9,564,000	9,239,383	(324,617)
Water Sales - Contingency	1,952,000	-	(1,952,000)
Binney Connection	40,481,014	41,245,563	764,549
Douglas Co Reservation	-	2,912,956	2,912,956
Reimbursed - DW & ECCV	-	130,515	130,515
Transfers In	588,200	-	(588,200)
Total revenues	<u>54,871,882</u>	<u>55,858,742</u>	<u>986,860</u>
EXPENDITURES			
Operations			
Accounting	25,000	377	24,623
Audit	8,100	8,100	-
Dues and Subscriptions	2,000	1,650	350
Engineering	300,000	201,385	98,615
Insurance and Bonds	41,500	29,700	11,800
Legal	130,000	52,383	77,617
Public Relations	55,000	29,936	25,064
Supplies / Meetings	5,000	3,104	1,896
SMWSA staffing/office	725,570	745,620	(20,050)
Contingency	145,000	-	145,000
System Operations	75,000	80,071	(5,071)
WISE Pipeline Operations	175,000	143,064	31,936
Easement & Pipeline Protection	25,000	-	25,000
QSWTP Operations	75,000	154,973	(79,973)
Minor Repairs	25,000	26,422	(1,422)
Douglas Co Reservation	-	2,912,956	(2,912,956)
General	9,000	9,302	(302)
Reimbursed Expenditures from ECCV & DW	(195,000)	-	(195,000)
DIA Connection Cost	1,146,668	1,146,668	-
Water Purchase	9,564,000	9,239,383	324,617
Water Purchase Contingent	1,952,000	-	1,952,000
Capital projects			
Binney Connection	40,913,000	9,887,436	31,025,564
Other Capital Projects - Infrastructure	55,000	36,590	18,410
Other Project Costs 3-Party	318,500	239,147	79,353
Reimbursed from DW for Binney	(7,667,508)	-	(7,667,508)
Transfers out	762,500	-	762,500
Total expenditures	<u>48,670,330</u>	<u>24,948,267</u>	<u>23,722,063</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,201,552	30,910,475	24,708,923
FUNDS AVAILABLE - BEGINNING OF YEAR	<u>9,841,022</u>	<u>15,730,260</u>	<u>5,889,238</u>
FUNDS AVAILABLE - END OF YEAR	<u>\$ 16,042,574</u>	<u>\$ 46,640,735</u>	<u>\$ 30,598,161</u>

**SOUTH METRO WISE AUTHORITY
RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2020**

	Actual
Funds available are defined as follows:	
Current assets	\$ 46,982,304
Less current liabilities	(341,569)
Funds available	\$ 46,640,735
Reconciliation of budgetary basis (actual) to Statement of Revenues, Expenses and Changes in Net Position:	
Revenues (budgetary basis)	\$ 55,858,742
Total revenues per Statement of Revenues, Expenses and Changes in Net Position	55,858,742
Expenditures (budgetary basis)	24,948,267
Capital outlay	(10,153,005)
Depreciation	970,435
Total expenses per Statement of Revenues, Expenses and Changes in Net Position	15,765,697
Change in Net Position per Statement of Revenues, Expenses and Changes in Net Position	\$ 40,093,045