



FINANCIAL STATEMENTS

Year Ended December 31, 2021





Independent Auditors' Report

Board of Supervisors
West Greeley Conservation District
Greeley, Colorado

Opinions

We have audited the accompanying balance sheet/statements net position, and the statement of revenue, expenditures and changes in fund balance/ statement of activities of the governmental activities and the major fund of West Greeley Conservation District (the District) as of December 31, 2021 and for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the governmental activities and the major fund of the West Greeley Conservation District as of December 31, 2021, and the changes in financial position and the budgetary comparison for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules on page 33-34 are presented for purposes of additional analysis and are not a required part of the basic financial statements. It 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. Such 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

July 8, 2022

Anderson & Whitney, P.C.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the West Greeley Conservation District (WGCD) for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- * WGCD's assets exceeded liabilities by \$9,093,857 at December 31, 2021.
- * The General Fund balance was \$7,789,118 as of December 31, 2021. Of this amount, \$79,222 is reserved for emergencies.
- * The December 31, 2021 General Fund balance is \$788,575 more than the previous year. General Fund operating expenditures are 26% of the 2021 total fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. WGCD, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. WGCD has one governmental fund, a General Fund.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide adjustments to facilitate this comparison between *governmental funds* and *governmental activities*, which are also explained in the notes.

The basic governmental fund financial statements can be found on pages 7 and 8 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11 through 32 of this report.

Budgetary Comparisons. WGCD adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund on pages 9 and 10 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2021, assets exceeded liabilities by \$9,093,857.

The following table provides a summary of the District's net position:

December 31	2021	2020
Assets:		
Current and other assets	\$ 9,346,228	\$ 9,050,670
Capital assets	1,679,381	1,490,078
Deferred outflows of resources:		
Pension plan	304,683	78,181
Total Assets and Deferred Outflows	11,330,292	10,618,929
Liabilities:		
Current and other liabilities	75,114	50,948
Net pension and OPEB liability	341,183	326,276
Deferred inflows of resources:		
Deferred property taxes	1,481,996	1,999,179
Pension plan	338,142	119,689
Total Liabilities and Deferred Inflows	2,236,435	2,496,092
Net Position:		
Invested in capital assets	1,679,381	1,490,078
Restricted	79,222	72,332
Unrestricted	7,335,254	6,560,427
Total Net Position	\$ 9,093,857	\$ 8,122,837

A significant portion of WGCD's net position represents unrestricted net position of \$7,335,254, which may be used to meet the District's ongoing obligations to patrons and creditors.

Another significant portion of the District's net position reflects its investment in capital assets. These assets include land, building, equipment, and vehicles. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional \$79,222 of the District's net position represents resources that are subject to external restriction on how they may be used. Included in this category is the TABOR emergency reserve of \$79,222.

The following table indicates the changes in net position:

	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 230,287	\$ 198,612
Operating grants and contributions	22,878	8,184
General revenues:		
Property taxes	2,294,734	2,083,895
Investment income	92,825	120,379
Total Revenues	\$ 2,640,724	\$ 2,411,070
Expenses:		
Program services	692,861	304,788
General and administrative services	886,777	842,543
Depreciation	90,066	83,892
Total Expenses	1,669,704	1,231,223
Increase in Net Position	\$ 971,020	\$ 1,179,847

Governmental Activities. Governmental activities increased WGCD's net position by \$971,020 in 2021. Key elements of this increase are as follows:

- * Total revenues were \$2,640,724, up approximately 10% from the prior year, driven primarily by an increase in property taxes.
- * Expenses totaled \$1,669,704. This represents a 35% increase from the previous year, primarily from general and administrative services.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Colorado statutes.

Year Ended December 31, 2021	Original and Final Budget	Actual
Beginning Fund Balance	\$ 7,00,543	\$ 7,000,543
Revenue	2,520,366	2,640,724
Expenditures	1,546,760	1,852,149
Ending Fund Balance	\$ 7,974,149	\$ 7,789,118

Actual expenditures were less than budgeted due to less cost-sharing and personnel expenses than were anticipated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. WGCD's investment in capital assets for its governmental type activities as of December 31, 2021, totals \$1,679,381 (net of accumulated depreciation). This investment includes all land, buildings, vehicles, and equipment. The total increase in capital assets for the current year was \$189,303.

The District implemented the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated. Additional information on the District's capital assets can be found in Note 2 of this report.

OTHER MATTERS

The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the 2022 budget:

- * The assessed valuation of property in the District decreased for 2022, resulting in property taxes expected of \$1,481,996.
- * In 2013, the District became responsible for the management, care and development of approximately 7 acres of the George M. Houston Gardens. This will continue to require additional operating costs and capital outlay.
- * To further develop cost share programs, the District has developed a ditch/water cost share.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of WGCD's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the District, 4302 W. 9th Street Road, Greeley, Colorado 80634.

WEST GREELEY CONSERVATION DISTRICT

GENERAL FUND BALANCE SHEET/STATEMENT OF NET POSITION

December 31, 2021	General Fund	Adjustments	Statement of Net Position
<u>ASSETS</u>			
Cash in Banks	\$ 7,864,232	\$ -	\$ 7,864,232
Property Taxes Receivable	1,481,996	-	1,481,996
Capital Assets - net	-	1,679,381	1,679,381
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension Plan	-	304,683	304,683
TOTAL ASSETS AND DEFERRED OUTFLOWS	9,346,228	1,984,064	11,330,292
<u>LIABILITIES</u>			
Accounts Payable	40,216	-	40,216
Advance Payments	34,898	-	34,898
Net Pension Liability	-	312,676	312,676
Net OPEB Liability	-	28,507	28,507
Total Liabilities	75,114	341,183	416,297
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension Plan	-	338,142	338,142
Deferred Property Taxes	1,481,996	-	1,481,996
Total Deferred Inflows of Resources	1,481,996	338,142	1,820,138
<u>FUND BALANCE/NET POSITION</u>			
Fund Balance:			
Reserved for TABOR Emergencies	79,222	(79,222)	-
Unassigned	7,709,896	(7,709,896)	-
Total Fund Balance	7,789,118	(7,789,118)	-
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 9,346,228		
Net Position:			
Invested in capital assets		1,679,381	1,679,381
Restricted for emergencies		79,222	79,222
Unrestricted		7,335,254	7,335,254
TOTAL NET POSITION		\$ 9,093,857	\$ 9,093,857

See Accompanying Notes to Financial Statements.

WEST GREELEY CONSERVATION DISTRICT

**STATEMENT OF GENERAL FUND REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES**

Year Ended December 31, 2021	General Fund	Adjustments	Statement of Activities
Revenue:			
Taxes	\$ 2,294,734	\$ -	\$ 2,294,734
Intergovernmental	22,878	-	22,878
Tree sales	74,911	-	74,911
Rent	142,800	-	142,800
Interest income	92,825	-	92,825
Miscellaneous	12,576	-	12,576
Total Revenue	2,640,724	-	2,640,724
Expenditures:			
Program services	692,861	(175,859)	517,002
General and administrative	1,056,108	6,528	1,062,636
Capital outlay	103,180	(103,180)	-
Depreciation	-	90,066	90,066
Total Expenditures	1,852,149	(182,445)	1,669,704
Revenue Over Expenditures/Change in Net Position	788,575	182,445	971,020
Fund Balance/Net Position, Beginning of Year	7,000,543	1,122,294	8,122,837
FUND BALANCE/NET POSITION, End of Year	\$ 7,789,118	\$ 1,304,739	\$ 9,093,857

See Accompanying Notes to Financial Statements.

WEST GREELEY CONSERVATION DISTRICT

BUDGETARY COMPARISON STATEMENT

Year Ended December 31, 2021	Actual	Original and Final Budget	Variance
Revenue:			
Taxes:			
General property	\$ 1,999,922	\$ 2,002,805	\$ (2,883)
Specific ownership	179,800	126,606	53,194
Delinquent property	115,383	355	115,028
Abatements	(371)	-	(371)
Total Taxes	2,294,734	2,129,766	164,968
Intergovernmental:			
State of Colorado assistance and other	21,271	6,600	14,671
Assistance from counties and cities	1,607	-	1,607
Total Intergovernmental	22,878	6,600	16,278
Program income:			
Houston Gardens	10,041	5,900	4,141
Trees and related supplies	64,870	44,000	20,870
Total Program Income	74,911	49,900	25,011
Miscellaneous:			
Interest income	92,825	180,000	(87,175)
Miscellaneous	12,576	11,300	1,276
Rent income	142,800	142,800	-
Total Miscellaneous	248,201	334,100	(85,899)
Total Revenue	2,640,724	2,520,366	120,358
Expenditures:			
Program services:			
Cost share/Snow fence/Nitrate	110,089	91,450	(18,639)
Scholarships and sponsorships	149,340	228,500	79,160
Trees and related products	83,751	70,000	(13,751)
Information/education/grant spending	14,622	2,475	(12,147)
Houston Gardens	335,059	369,190	34,131
Total Program Services	692,861	761,615	68,754

Continued on next page.

WEST GREELEY CONSERVATION DISTRICT

BUDGETARY COMPARISON STATEMENT - Continued

Year Ended December 31, 2021	Actual	Original and Final Budget	Variance
Expenditures - Continued:			
General and Administrative:			
Salaries	\$ 521,574	\$ 499,140	\$ (22,434)
Retirement, insurance, payroll taxes	179,532	229,440	49,908
Annual meeting and Ag symposium	103,169	51,910	(51,259)
County Treasurer's fees	31,724	46,135	14,411
Dues and subscriptions	4,089	4,025	(64)
Educational expenses	10,373	3,185	(7,188)
Vehicle fuel and maintenance	8,705	6,540	(2,165)
Insurance and bonds	33,828	30,000	(3,828)
Legal and accounting	13,936	21,500	7,564
Office supplies, postage and printing	26,039	29,700	3,661
Promotion and advertising	11,768	6,000	(5,768)
Travel	5,144	9,800	4,656
Building maintenance and utilities	72,512	96,778	24,266
Election	-	-	-
Web site	18,045	450	(17,595)
Miscellaneous	15,670	100,855	85,185
Total General and Administrative	1,056,108	1,135,458	79,350
Capital outlay	103,180	35,822	(67,358)
Total Expenditures	1,852,149	1,932,895	80,746
Revenue Over Expenditures	788,575	587,471	201,104
Fund Balance, Beginning of Year	7,000,543	7,000,543	-
FUND BALANCE, End of Year	\$ 7,789,118	\$ 7,588,014	\$ 201,104

See Accompanying Notes to Financial Statements.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies:

The accounting and reporting policies of the West Greeley Conservation District (the District or WGCD) conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Reporting Entity:

The financial report of the District includes all of the integral parts of the District's operations. The District has determined that it has no financial accountability for any other agency which would require it to be in the reporting entity.

The District was organized in 1948 pursuant to the Soil Conservation District law of Colorado as a governmental subdivision of the State. The District exercises public powers in connection with soil conservation and erosion control within its boundaries for the purpose of bringing about the conservation, development, and wise use of land, water, and related resources.

Government-wide and Fund Financial Statements:

The District reports as a special purpose government engaged in a single governmental program. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues.

Separate financial statements are provided for the government fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued:

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District.

Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are legally restricted by law or outside parties for use for specific purpose.

Restrictions for the District are recorded up to the maximum equity available in the fund balance and consist of:

Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR emergency reserves at December 31, 2021 are \$79,222.

Assigned fund balances, if any, are amounts the District intends to use for specific purpose. Intent can be expressed by the Board of Supervisors or by an official to which the Board delegates authority. Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

Net Position:

Net position represents the difference between assets and liabilities. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition and construction of those assets. Net position is reported as restricted when there are limitations imposed on use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Deferred Outflows and Inflows of Resources:

In addition to assets, the statement of financial position reports 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 future periods and so will not be recognized as an outflow of resources (expense/expenditures) until then. The District has one item that qualifies for reporting in this category: changes in the net pension liability not included in pension expense reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position reports 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualifies for reporting in this category: changes in the net pension liability not included in pension expense reported in the government-wide statement of net position and deferred property taxes.

Capital Assets:

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. It is the District's policy to capitalize all capital expenditures over \$1,000. Acquisitions of capital assets are recorded as capital outlay expenditures within the General Fund. Depreciation has been provided in the government-wide statements. Depreciable lives are five years for vehicles, ten years for equipment, and forty years for buildings.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

Property Taxes:

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable in two installments on March 1 and June 15, or in full on April 30. The District uses the Weld County Treasurer to bill and collect its property taxes. Taxes levied in December 2021 are recorded as taxes receivable and deferred inflows as of December 31, 2021.

The original January 1 levy for the General Fund of the District was .414 mills or approximately \$1,481,996.

Budget:

An annual budget and appropriation ordinance is adopted by the District's Board of Supervisors in accordance with the Local Government Budget Law. The Budget is prepared on a basis consistent with accounting principles generally accepted in the United States. The fund level of classification is the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or about September 20, the District staff submits to the District Board a proposed operating budget for the fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them.
 2. Public hearings are conducted to obtain taxpayers' comments. The District obtains the assessed valuation of property in the District from the Office of the Weld County Assessor for the budget year and certifies the levy to the Board of County Commissioners.
 3. Prior to December 31, the budget is legally adopted by the District. The District Manager is authorized to transfer amounts between line items. Revisions that alter total appropriations must be approved by the District Board through a supplemental appropriation. There were no supplemental appropriations in 2021.
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Employee Personnel Leave:

All full-time District employees accumulate personnel leave for subsequent use. No accrual of liability is made as vacation leave is generally taken and the amount outstanding at year end is immaterial.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

Pensions:

West Greeley Conservation District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multi-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB):

West Greeley Conservation District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by PERA. The net OPEB liability, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – Changes in Capital Assets:

	Balance, 1/1/21	Additions	Deletions	Balance, 12/31/21
Land	\$ 149,395	\$ --	\$ --	\$ 149,395
Land improvements	221,931	230,743	--	452,674
Building	1,445,113	18,402	--	1,463,515
Equipment and office furniture	74,772	30,223	3,438	101,558
Vehicles and trailers	309,004	--	--	309,004
Total Cost	2,200,215	279,369	3,438	2,476,146
Less Accumulated Depreciation:				
Land improvements	79,808	15,100	--	94,908
Building	442,526	38,198	--	480,724
Equipment and office furniture	60,596	10,900	3,438	68,058
Vehicles and trailers	127,207	25,869	--	153,075
Total Accumulated Depreciation	710,137	90,066	3,438	796,765
Capital Assets, net	\$1,490,078	\$ 189,303	\$ --	\$1,679,381

NOTE 3 – Cash in Banks:

The District's bank deposits at year-end were entirely covered by federal depository insurance or the Colorado Public Deposit Protection Act. Bank deposits of \$250,000 were covered by federal depository insurance and balances of \$7,614,232 were covered by PDPA.

The Colorado Public Deposit Protection Act (PDPA) requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages, and deeds of trust.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - PERA:

Plan description: Eligible employees of the West Greeley Conservation District are provided with pensions through the Local Government Division Trust Fund - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided: PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

West Greeley Conservation District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. Some but not all of these changes are in effect at this time.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by the Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2019, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2018 and 2019. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 will receive the lesser of an annual increase of 1.5 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions: Eligible employees and West Greeley Conservation District are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized as follows:

Years Ended December 31	2021	2020
Employer contribution rate as a percentage of salary	10.50%	10.50%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)	(1.02)
Amount Apportioned to the LGDTF	9.48	9.48
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20	2.20
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50	1.50
Total Employer Contribution Rate to the LGDTF	13.18%	13.18%

Contribution Rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the West Greeley Conservation District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from West Greeley Conservation District were \$62,683 for the year ended December 31, 2021.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

At December 31, 2021, West Greeley Conservation District reported a liability of \$312,676 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll forward the total pension liability to December 31, 2020. The West Greeley Conservation District proportion of the net pension liability was based on West Greeley Conservation District contributions to the LGDTF for the calendar year 2020 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2021, the West Greeley Conservation District proportion was .06 percent, which is a 0.02 percent increase from 2020.

For the year ended December 31, 2021, West Greeley Conservation District recognized pension expense of \$74,754. At December 31, 2021, West Greeley Conservation District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

December 31, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 15,118	\$ --
Net difference between projected and actual earnings on pension plan investments	--	338,142
Changes in assumptions	75,562	--
Changes in proportion	146,278	--
Contributions subsequent to the measurement date	67,725	--
Total	\$ 304,683	\$ 338,142

Deferred outflows of resources related to pensions of \$67,725 resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

Year Ending December 31	Amount
2022	\$34,716
2023	32,090
2024	(114,624)
2025	(53,366)
	<u>\$ (101,184)</u>

Actuarial assumptions: The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Price inflation	2.4 percent
Real wage growth	1.1 percent
Wage inflation	3.5 percent
Salary increases, including wage inflation	3.5 – 10.45 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07 (automatic)	1.25 percent compounded annually
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016 Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as needed.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA’s Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.0%	5.6%
Fixed Income	23.0%	1.30%
Private Equity	8.5%	7.1%
Real Estate	8.5%	4.4%
Alternatives	6.0%	4.7%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

Discount rate: The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.5 percent every year until they are zero. Based on those assumptions, the LGDTF’s fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the West Greeley Conservation District proportionate share of the net pension liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

December 31, 2021	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 720,281	\$ 312,676	\$ (27,621)

Pension plan fiduciary net position: Detailed information about the LGDTF’s fiduciary net position is available in PERA’s comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Employees of the West Greeley Conservation District that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – Other Postemployment Benefits:

WGCD participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit Other Postemployment Benefit Plan (OPEB) fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting.

General Information about the OPEB Plan:

Plan description: Eligible employees of WGCD are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended.

Benefits provided: The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others.

PERA Benefit Structure: The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – Other Postemployment Benefits - Continued:

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions: Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and WGCD is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from WGCD were \$5,042 for the year ended December 31, 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At December 31, 2021, WGCD reported a liability of \$28,507 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. WGCD proportion of the net OPEB liability was based on WGCD contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – Other Postemployment Benefits – Continued:

At December 31, 2021, WGCD proportion was .003 percent, which was approximately the same as its proportion measured as of December 31, 2020.

For the year ended December 31, 2021, WGCD recognized OPEB expense of \$(171). At December 31, 2021, WGCD did not have deferred outflows of resources and deferred inflows of resources related to OPEB that were material to the financial statements.

Actuarial assumptions. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.6 percent
Medicare Part A premiums	3.5 percent for 2020, gradually rising to 4.5 percent in 2029

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – Other Postemployment Benefits – Continued:

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	7.3%	3.75%
2022	5.7%	3.75%
2023	5.5%	3.75%
2024	5.3%	3.75%
2025	5.3%	4.00%
2026	5.1%	4.00%
2027	4.9%	4.25%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – Other Postemployment Benefits – Continued:

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA’s actuary, as needed.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA’s Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.0%	5.6%
Fixed Income	23.0%	1.30%
Private Equity	8.5%	7.1%
Real Estate	8.5%	4.4%
Alternatives	6.0%	4.7%
Total	100.00%	

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – Other Postemployment Benefits – Continued:

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of WGCD proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates: The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage-point lower or one percentage-point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	7.1%	8.1%	9.1%
PERACare Medicare trend rate	3.5%	4.5%	5.5%
Initial Medicare Part A trend rate	2.5%	3.5%	4.5%
Ultimate Medicare Part A trend rate	3.5%	4.5%	5.5%
Net OPEB Liability	\$ 27,770	\$ 28,507	\$ 29,364

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – Other Postemployment Benefits – Continued:

Sensitivity of WGCD proportionate share of the net OPEB liability to changes in the discount rate: The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25 percent) or one percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
December 31, 2021			
Proportionate share of the net OPEB liability	\$ 32,655	\$ 28,507	\$24,962

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 6 – Contingencies:

In November 1992, the Colorado voters approved the Taxpayer's Bill of Rights (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase, or new debt. Voter approval is also required to increase annual property taxes, revenue, or spending by more than inflation plus a local growth factor. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards, or property sales.

In May 1996, the electors of the District voted to supersede TABOR and, from January 1, 1995 and thereafter, to permit the District to collect, retain, and expend the full proceeds of all taxes, fees, and other revenue without increasing or adding taxes of any kind.

The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the applicable requirements of the Amendment.

Included in the accompanying financial statements is an emergency reserve required by TABOR of at least 3% of fiscal year spending.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance for risks of loss in excess of deductible amounts. There have been no claims that exceeded this coverage in any of the past three fiscal years.

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – Reconciliation Between General Fund Balance Sheet and the Statement of Net Position:

Amounts reported in the statement of net position are different because:

December 31, 2021

Fund balance of General Fund	\$ 7,789,118
Capital assets used in governmental activities are not financial resources and therefore are not reported in the General Fund	1,679,381
Deferred inflows and outflows of resources related to pensions	(33,459)
Long-term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the General Fund. Long-term liabilities at year end consist of:	
Net pension liability and OPEB liability	(341,183)
Total Net Position	\$ 9,093,857

WEST GREELEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the General Fund to the Statement of Activities:

Amounts reported for *governmental activities* in the statement of activities are different because:

Year Ended December 31, 2021

Net change in fund balance – General Fund	\$788,575
The General Fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year	188,973
The General Fund reports District pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions, is reported as pension expense	(6,528)
Change in Net Position of Governmental Activities	\$ 971,020

NOTE 9 – Operating Lease:

The District has an agreement to lease office space to various U.S. Department of Agriculture (USDA) agencies for \$142,800 per year, which expires in May of 2024. The amount received in 2021 was \$142,800.

WEST GREELEY CONSERVATION DISTRICT

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

Year Ended December 31	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2021	\$62,683	\$62,683	\$494,340	12.7%
2020	54,642	54,642	431,000	12.7%
2019	42,638	42,638	336,262	12.7%
2018	36,935	36,935	291,400	12.7%
2017	34,300	34,300	279,267	12.6%
2016	28,622	28,622	226,684	12.6%
2015	28,522	28,522	204,063	14.0%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

Year Ended December 31	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2021	\$5,042	\$5,042	\$494,340	1.0%
2020	4,395	4,395	431,000	1.0%
2019	3,430	3,430	336,262	1.0%
2018	2,971	2,971	291,400	1.0%
2017	3,001	3,001	279,267	1.0%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

WEST GREELEY CONSERVATION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY

Year Ended December 31	Cumulative Proportion of Net Pension Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net Pension Liability
2021	.06%	\$312,676	\$494,340	63%	90.9%
2020	.04%	292,556	431,000	68%	86.3%
2019	.04%	502,885	336,262	150%	76.0%
2018	.04%	433,124	291,400	149%	79.4%
2017	.04%	525,283	279,267	189%	73.6%
2016	.04%	428,515	226,684	189%	76.9%
2015	.06%	507,311	204,063	249%	80.7%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET OPEB LIABILITY

Year Ended December 31	Cumulative Proportion of Net OPEB Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net OPEB Liability
2021	.003%	\$28,507	\$494,340	5.8%	32.8%
2020	.003%	33,720	431,000	7.8%	24.5%
2019	.003%	40,816	336,262	12.1%	17.0%
2018	.003%	44,176	291,400	15.2%	17.5%
2017	.003%	44,072	279,267	15.8%	16.7%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.