

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Central Colorado Water Conservancy District  
Greeley, Colorado

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Central Colorado Water Conservancy District (the District), as of and for the year ended December 31, 2022, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof 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 Auditors' 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 opinions.

#### *Emphasis of Matter*

As discussed in Note 1 to the financial statements, effective January 1, 2022, the District adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with regard to this matter.

#### *Emphasis of Matter – Correction of an Error*

As discussed in Note 11 to the financial statements, net position of business-type activities and the water enterprise fund of Groundwater Management Subdistrict of Central Colorado Water Conservancy District, as of December 31, 2021, was restated to correct a misstatement. Our opinions are not modified with regard to this matter.



***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 for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' 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 auditors' report that includes our opinions. 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.

**Required Supplementary Information**

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 basic financial statements. The 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 GAAS. In our opinion, the budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Broomfield, Colorado  
July 27, 2023

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

This section of the report provides readers with a narrative overview and analysis of the financial activities of the Central Colorado Water Conservancy District (the District) for the year ended December 31, 2022. 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**

- The District's assets and deferred outflows exceeded liabilities and deferred inflows by \$114.3 million at December 31, 2022.
- The General Fund balance was \$7.5 million as of December 31, 2022. Of this amount, \$213,805 is restricted for emergencies.
- The December 31, 2022, General Fund balance is \$800,834 more than the previous year-end. The total fund balance is 326% of 2022 General Fund expenditures.
- The Debt Service Funds have fund balances of \$20.4 million at December 31, 2022.
- The Water Enterprise Funds have net position of \$9.8 million at December 31, 2022.

**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. In addition to the basic statements, this report also contains other supplementary information.

**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, liabilities and deferred inflows, with the difference 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 (e.g., uncollected fees).

**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. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**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 balances provide a reconciliation to facilitate this comparison between *governmental funds and governmental activities*.

The District maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Debt Service Fund, each of which is considered to be a major fund.

The basic governmental fund financial statements can be found on pages 13 to 18 of this report.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water fund which is considered to be a major fund of the District.

The basic proprietary fund financial statements can be found on pages 19 to 21 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 22 through 56 of this report.

**Budgetary Comparisons.** The District adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund on page 58 of this report.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**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, 2022, assets exceeded liabilities by \$114,309,169.

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

	2022		2021	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
<b>ASSETS</b>				
Current and Other Assets	\$ 72,402,829	\$ 8,359,478	\$ 77,561,235	\$ 6,300,081
Capital Assets	153,540,834	7,860,910	150,020,823	9,227,474
Total Assets	<u>225,943,663</u>	<u>16,220,388</u>	<u>227,582,058</u>	<u>15,527,555</u>
<b>DEFERRED OUTFLOWS</b>				
Refunding	929,556	-	1,017,131	-
Pensions/OPEB	285,727	-	494,744	-
Total Deferred Outflows	<u>1,215,283</u>	<u>-</u>	<u>1,511,875</u>	<u>-</u>
<b>LIABILITIES</b>				
Current and Other Liabilities	6,790,255	650,307	20,258,694	2,520,279
Long-Term Liabilities	98,278,310	5,467,312	98,043,665	3,155,087
Total Liabilities	<u>105,068,565</u>	<u>6,117,619</u>	<u>118,302,359</u>	<u>5,675,366</u>
<b>DEFERRED INFLOWS</b>				
Pensions/OPEB	1,302,060	-	990,743	-
Deferred Property Taxes	16,324,804	257,117	14,095,233	184,665
Total Deferred Inflows	<u>17,626,864</u>	<u>257,117</u>	<u>15,085,976</u>	<u>184,665</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	68,713,061	2,334,336	56,609,901	3,822,387
Restricted	20,342,211	-	28,224,455	-
Unrestricted	15,408,245	7,511,316	10,871,242	5,845,137
Total Net Position	<u>\$ 104,463,517</u>	<u>\$ 9,845,652</u>	<u>\$ 95,705,598</u>	<u>\$ 9,667,524</u>

A portion of The District's net position represents unrestricted net position of \$22,919,561 which may be used to meet the District's ongoing obligations to citizens and creditors.

Another significant portion of the District's net position reflects its investment in capital assets. These assets include water rights and projects, buildings, and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The only long-term debt is the bonds and leases issued for construction of District utility systems and water projects.

An additional \$20,342,211 of the District's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserve and the debt service fund balance.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

The following table indicates the changes in net position:

	2022		2021	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
<b>REVENUES</b>				
Program Revenues:				
Charges for Services	\$ 1,770,775	\$ 2,869,924	\$ 1,862,280	\$ 2,950,986
Operating Grants and Contributions	1,569,122	-	940,579	278,422
General Revenues:				
Property Taxes	14,979,791	184,815	18,372,098	238,053
Investment Earnings	802,203	85,954	7,546	(690)
Total Revenues	<u>19,121,891</u>	<u>3,140,693</u>	<u>21,182,503</u>	<u>3,466,771</u>
<b>EXPENSES</b>				
General Government	5,003,713	-	6,054,805	-
Depreciation	2,308,687	-	1,819,316	-
Interest on Long-Term Debt	3,051,572	-	2,457,925	-
Water Enterprise	-	2,843,314	-	2,638,479
Total Expenses	<u>10,363,972</u>	<u>2,843,314</u>	<u>10,332,046</u>	<u>2,638,479</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>\$ 8,757,919</u>	<u>\$ 297,379</u>	<u>\$ 10,850,457</u>	<u>\$ 828,292</u>

**Governmental Activities.** Government activities increased the District's net position by \$8,757,919 in 2022. Key elements of this increase are as follows:

- Total revenues decreased approximately 10%, due to lower property tax collections, offset by increased investment earnings.
- Expenses remained comparable to the previous year.

**Business-Type Activities.** Business-type activities (i.e., water) increased the District's net position by \$297,379 in 2022, due to charges for services continue to exceed related water purchases.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

As of December 31, 2022, the total fund balances of the District's governmental funds were \$55.2 million. Fund balance is either assigned or restricted to indicate that it is not available for new spending because it is restricted for the following purposes: a state-constitution mandated emergency reserve (\$573,489); restricted for debt service (\$20,408,251); restricted for capital outlay (\$16,302,735); and assigned for subsequent year budget (\$17,717,636).

The District has three major governmental funds:

1. **General Fund.** This is the primary operating fund of the District. It accounts for the District's core governmental services. The General Fund balance was \$7.5 million as of December 31, 2022. The 2022 fund balance is \$800,834 more than the previous year.
2. **Special Revenue Fund.** The Special Revenue Fund accounts for the District's two subdistricts. The fund balance at December 31, 2022, was \$27.2 million.
3. **Debt Service Fund.** The Debt Service Fund accounts for the repayment of the District's debt. The total fund balance at December 31, 2022, was \$20.4 million.

The District has one major enterprise fund, the Water Fund:

1. **Water Fund.** The Water Fund accounts for service charges and expenses of operating the District's water systems. The Water Fund net position at December 31, 2022, was \$9.8 million. Net position increased by \$297,379 during the year due to increased water revenue.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

	Final Budget	Actual
<b>FUND BALANCE - BEGINNING OF YEAR</b>	\$ 7,659,413	\$ 6,730,991
<b>REVENUE AND FINANCING SOURCES</b>	2,620,648	3,107,681
<b>EXPENDITURES</b>	(10,186,477)	(2,306,847)
<b>FUND BALANCE - END OF YEAR</b>	\$ 93,584	\$ 7,531,825

Expenditures were less than budget due to some capital projects not occurring that were anticipated.



**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** The District's investment in capital assets for its governmental and business-type activities as of December 31, 2022, totals approximately \$161.4 million (net of accumulated depreciation). This investment includes all land, water rights, right-to-use lease assets, buildings, and equipment and water projects. The total net increase in investment in capital assets for the current year was \$2,153,447 or 1%, due to capital additions being more than depreciation expense.

The District implemented the straight-line depreciation method for its capital assets, except for land and water rights which are not depreciated.

The District adopted GASB Statement No. 87, *Leases*, effective January 1, 2022 (see Note 1).

Additional information on the District's capital assets can be found in Note 3 of this report.

**Long-Term Debt.** At December 31, 2022, the District had approximately \$98.3 million of water loans and bonds payable, funded by assessments and property taxes, and a deferred loss on refunding of approximately \$0.9 million. The District also has loans payable of approximately \$5.4 million from business-type activities, funded from assessments.

Additional information on the District's debt can be found in Note 6.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District'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, 3209 W. 28th Street, Greeley, Colorado 80634.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 29,676,569	\$ 6,579,595	\$ 36,256,164
Receivables:			
Property Taxes	16,324,804	257,117	16,581,921
Internal Balances	188,989	(188,989)	-
Prepaid Items	257,630	10,425	268,055
Inventory	-	1,701,330	1,701,330
Net Pension Asset	145,324	-	145,324
Capital Assets, Not Being Depreciated	56,669,741	1,823,139	58,492,880
Capital Assets, Net of Accumulated Depreciation	96,871,093	6,037,771	102,908,864
Cash and Investments - Restricted	25,809,513	-	25,809,513
Total Assets	<u>225,943,663</u>	<u>16,220,388</u>	<u>242,164,051</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Refunding	929,556	-	929,556
Related to Pension	255,174	-	255,174
Related to Other Postemployment Benefits	30,553	-	30,553
Total Deferred Outflows of Resources	<u>1,215,283</u>	<u>-</u>	<u>1,215,283</u>
<b>LIABILITIES</b>			
Accounts Payable	672,960	457,813	1,130,773
Unearned Revenue	-	13,980	13,980
Accrued Interest Payable	639,529	119,251	758,780
Long-Term Liabilities:			
Net OPEB Liability	113,620	-	113,620
Due Within One Year	5,364,146	59,263	5,423,409
Due in More than One Year	98,278,310	5,467,312	103,745,622
Total Liabilities	<u>105,068,565</u>	<u>6,117,619</u>	<u>111,186,184</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue Property Taxes	16,324,804	257,117	16,581,921
Related to Pension	1,259,506	-	1,259,506
Related to Other Postemployment Benefits	42,554	-	42,554
Total Deferred Inflows of Resources	<u>17,626,864</u>	<u>257,117</u>	<u>17,883,981</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	68,713,061	2,334,336	71,047,397
Restricted for:			
TABOR	573,489	-	573,489
Debt Service	19,768,722	-	19,768,722
Unrestricted	15,408,245	7,511,316	22,919,561
Total Net Position	<u>\$ 104,463,517</u>	<u>\$ 9,845,652</u>	<u>\$ 114,309,169</u>

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Contributions
Governmental Activities:				
General Government	\$ 7,312,400	\$ 1,770,775	\$ 1,569,122	\$ -
Interest on Long-Term Debt	3,051,572	-	-	-
Total Governmental Activities	10,363,972	1,770,775	1,569,122	-
Business-Type Activities:				
Water Enterprise Fund - District	172,091	437,773	-	-
Water Enterprise Fund - GMS	2,671,223	2,432,151	-	-
Total Business-Type Activities	2,843,314	2,869,924	-	-
Total	\$ 13,207,286	\$ 4,640,699	\$ 1,569,122	\$ -

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
<b>FUNCTIONS/PROGRAMS</b>			
Governmental Activities:			
General Government	\$ (3,972,503)	\$ -	\$ (3,972,503)
Interest on Long-Term Debt	(3,051,572)	-	(3,051,572)
Total Governmental Activities	(7,024,075)	-	(7,024,075)
Business-Type Activities:			
Water Enterprise Fund - District	-	265,682	265,682
Water Enterprise Fund - GMS	-	(239,072)	(239,072)
Total Business-Type Activities	-	26,610	26,610
Total	(7,024,075)	26,610	(6,997,465)
<b>GENERAL REVENUE</b>			
Property Taxes	14,979,791	184,815	15,164,606
Investment Earnings	802,203	85,954	888,157
Total General Revenue	15,781,994	270,769	16,052,763
<b>CHANGE IN NET POSITION</b>	8,757,919	297,379	9,055,298
Net Position - Beginning of Year (as restated)	95,705,598	9,548,273	105,253,871
<b>NET POSITION - END OF YEAR</b>	\$ 104,463,517	\$ 9,845,652	\$ 114,309,169

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

<b>ASSETS</b>	General Fund	Special Revenue Funds	
		WAS	GMS
Cash and Investments	\$ 7,765,642	\$ 2,528,286	\$ 8,500,567
Cash and Investments - Restricted	-	2,912,883	13,389,852
Property Taxes Receivable	3,056,090	791,535	2,135,053
Due from Other Funds	266,400	63,118	-
Prepaid Items	10,526	143,850	-
	<u>\$ 11,098,658</u>	<u>\$ 6,439,672</u>	<u>\$ 24,025,472</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts and Retainage Payable	405,262	114,809	152,889
Due to Other Funds	105,481	-	54,447
Total Liabilities	<u>510,743</u>	<u>114,809</u>	<u>207,336</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	3,056,090	791,535	2,135,053
Total Deferred Inflows of Resources	<u>3,056,090</u>	<u>791,535</u>	<u>2,135,053</u>
<b>FUND BALANCES</b>			
Nonspendable:	10,526	143,850	-
Restricted for:			
TABOR Emergencies	213,805	106,613	253,071
Debt Service	-	-	-
Capital Outlay	-	2,912,883	13,389,852
Assigned - Subsequent Year Budget and Subdistricts	7,307,494	2,369,982	8,040,160
Total Fund Balances	<u>7,531,825</u>	<u>5,533,328</u>	<u>21,683,083</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,098,658</u>	<u>\$ 6,439,672</u>	<u>\$ 24,025,472</u>

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)  
DECEMBER 31, 2022**

<b>ASSETS</b>	Debt Service Funds			Total Governmental Funds
	District	WAS	GMS	
Cash and Investments	\$ 6,466,133	\$ 4,415,941	\$ -	\$ 29,676,569
Cash and Investments - Restricted	1,556,198	1,173,603	6,776,977	25,809,513
Property Taxes Receivable	3,893,695	2,057,989	4,390,442	16,324,804
Due from Other Funds	5,490	-	32,371	367,379
Prepaid Items	-	-	-	154,376
	<u>\$ 11,921,516</u>	<u>\$ 7,647,533</u>	<u>\$ 11,199,790</u>	<u>\$ 72,332,641</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts and Retainage Payable	-	-	-	672,960
Due to Other Funds	-	18,462	-	178,390
Total Liabilities	<u>-</u>	<u>18,462</u>	<u>-</u>	<u>851,350</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	3,893,695	2,057,989	4,390,442	16,324,804
Total Deferred Inflows of Resources	<u>3,893,695</u>	<u>2,057,989</u>	<u>4,390,442</u>	<u>16,324,804</u>
<b>FUND BALANCES</b>				
Nonspendable:	-	-	-	154,376
Restricted for:				
TABOR Emergencies	-	-	-	573,489
Debt Service	8,027,821	5,571,082	6,809,348	20,408,251
Capital Outlay	-	-	-	16,302,735
Assigned - Subsequent Year Budget and Subdistricts	-	-	-	17,717,636
Total Fund Balances	<u>8,027,821</u>	<u>5,571,082</u>	<u>6,809,348</u>	<u>55,156,487</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,921,516</u>	<u>\$ 7,647,533</u>	<u>\$ 11,199,790</u>	<u>\$ 72,332,641</u>

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
RECONCILIATION OF THE BALANCE SHEET TO THE  
STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

**Total Fund Balance - Governmental Funds** \$ 55,156,487

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

Bond insurance is reflected as a prepaid expense on the statement of net position. 103,254

Capital assets used in governmental activities are not financial resources and are not reported in the funds. 153,540,834

The proportionate share of net pension liability, deferred outflows of resources, and deferred inflows of resources related to their participation in Colorado PERA is not recorded in governmental funds, but is recorded in the statement of net position.

Net Pension Asset	145,324	
Deferred Outflows of Resources Related to Pensions	255,174	
Deferred Inflows of Resources Related to Pensions	<u>(1,259,506)</u>	(859,008)

The proportionate share of net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to their participation in Colorado PERA is not recorded in governmental funds, but is recorded in the statement of net position.

Net OPEB Liability	(113,620)	
Deferred Outflows of Resources Related to OPEB	30,553	
Deferred Inflows of Resources Related to OPEB	<u>(42,554)</u>	(125,621)

Accrued interest payable is not included in the funds. (639,529)

Long-term related liabilities are not reported in governmental funds, consisting of:

Bonds payable	(98,151,261)	
Premiums	(4,407,707)	
Deferred loss on refunding	929,556	
Leases payable	(992,986)	
Compensated Absences	<u>(90,502)</u>	<u>(102,712,900)</u>

Net Position of Governmental Activities \$ 104,463,517



**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2022**

	General Fund	Special Revenue Funds	
		WAS	GMS
<b>REVENUE</b>			
Taxes	\$ 2,720,904	\$ 728,715	\$ 1,701,618
Interest Income	92,003	81,908	303,789
Water Assessments	-	1,047,000	4,166
State and Federal Grants	63,522	-	1,500,000
Miscellaneous	225,652	75,878	414,542
Total Revenue	<u>3,102,081</u>	<u>1,933,501</u>	<u>3,924,115</u>
<b>EXPENDITURES</b>			
Operating Expenditures	2,050,943	2,049,353	1,591,691
Debt Service:			
Principal	-	32,092	57,096
Interest	-	10,288	15,384
Issuance Costs	-	30,000	97,500
Capital Outlay	255,904	317,589	4,214,049
Total Expenditures	<u>2,306,847</u>	<u>2,439,322</u>	<u>5,975,720</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	795,234	(505,821)	(2,051,605)
<b>OTHER FINANCING SOURCES (USES)</b>			
Donations	5,600	-	-
Debt Issuances	-	30,000	2,259,941
Total Other Financing Sources (Uses)	<u>5,600</u>	<u>30,000</u>	<u>2,259,941</u>
<b>CHANGE IN FUND BALANCES</b>	800,834	(475,821)	208,336
Fund Balances - Beginning of Year	<u>6,730,991</u>	<u>6,009,149</u>	<u>21,474,747</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 7,531,825</u>	<u>\$ 5,533,328</u>	<u>\$ 21,683,083</u>

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022**

	Debt Service Funds			Total Governmental Funds
	District	WAS	GMS	
<b>REVENUE</b>				
Taxes	\$ 3,898,279	\$ 1,534,604	\$ 4,395,671	\$ 14,979,791
Interest Income	126,480	82,116	115,907	802,203
Water Assessments	-	-	-	1,051,166
State and Federal Grants	-	-	-	1,563,522
Miscellaneous	-	3,537	-	719,609
Total Revenue	<u>4,024,759</u>	<u>1,620,257</u>	<u>4,511,578</u>	<u>19,116,291</u>
<b>EXPENDITURES</b>				
Operating Expenditures	58,806	23,589	67,156	5,841,538
Debt Service:				
Principal	8,471,390	4,427,869	1,917,389	14,905,836
Interest	1,039,632	623,190	1,503,840	3,192,334
Issuance Costs	-	-	-	127,500
Capital Outlay	-	-	-	4,787,542
Total Expenditures	<u>9,569,828</u>	<u>5,074,648</u>	<u>3,488,385</u>	<u>28,854,750</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	(5,545,069)	(3,454,391)	1,023,193	(9,738,459)
<b>OTHER FINANCING SOURCES (USES)</b>				
Donations	-	-	-	5,600
Debt Issuances	-	-	-	2,289,941
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,295,541</u>
<b>CHANGE IN FUND BALANCE</b>	(5,545,069)	(3,454,391)	1,023,193	(7,442,918)
Fund Balance - Beginning of Year	<u>13,572,890</u>	<u>9,025,473</u>	<u>5,786,155</u>	<u>62,599,405</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 8,027,821</u>	<u>\$ 5,571,082</u>	<u>\$ 6,809,348</u>	<u>\$ 55,156,487</u>

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
RECONCILIATION OF STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

**Net Change in Fund Balances - Governmental Funds** \$ (7,442,918)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Additionally, governmental funds report proceeds on capital assets while the statement of activities reflects gain or loss on sale.

Capital Outlay	4,746,524	
Depreciation Expense	<u>(2,308,687)</u>	2,437,837

The issuance of long-term debt and obligations provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences.

Issuance of long-term debt	(2,259,941)	
Loan origination fee	(30,000)	
Principal payments	14,816,647	
Lease principal payments	<u>89,188</u>	12,615,894

Certain expenses reported in the statement of activities do not require use of current financial resources and, therefore, are not reported as an expenditure in the governmental funds.

Change in accrued interest payable	140,762	
Change in compensated absences	(57,260)	
Amortization of bond insurance	(6,915)	
Amortization of bond premium	650,823	
Amortization of loss on bond refunding	(87,575)	
Pension expense	497,340	
OPEB expense	<u>9,931</u>	<u>1,147,106</u>

Change in Net Position of Governmental Activities \$ 8,757,919

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
STATEMENT OF NET POSITION  
BUSINESS-TYPE ACTIVITIES – ENTERPRISE FUNDS  
DECEMBER 31, 2022**

	Business-Type Activities			Total
	District	WAS	GMS	
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 3,438,309	\$ 294,464	\$ 2,846,822	\$ 6,579,595
Property Taxes Receivable	39,234	-	217,883	257,117
Due from Other Funds	74,011	-	2,715	76,726
Prepaid Items	-	-	10,425	10,425
Inventory	-	-	1,701,330	1,701,330
Total Current Assets	<u>3,551,554</u>	<u>294,464</u>	<u>4,779,175</u>	<u>8,625,193</u>
Capital Assets, Not Being Depreciated	929		1,822,210	1,823,139
Capital Assets, Net of Accumulated Depreciation	3,086,219	-	2,951,553	6,037,772
Total Capital Assets	<u>3,087,148</u>	<u>-</u>	<u>4,773,763</u>	<u>7,860,911</u>
Total Assets	6,638,702	294,464	9,552,938	16,486,104
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts and Retainage Payable	19,379	-	438,435	457,814
Due to Other Funds	-	-	265,715	265,715
Unearned Revenue	-	-	13,980	13,980
Accrued Interest Payable	-	-	119,251	119,251
Current Portion of Long-Term Liabilities	59,263	-	-	59,263
Total Current Liabilities	<u>78,642</u>	<u>-</u>	<u>837,381</u>	<u>916,023</u>
Long-Term Liabilities:				
Due in More than One Year	2,154,993	-	3,312,319	5,467,312
Total Liabilities	2,233,635	-	4,149,700	6,383,335
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	39,234	-	217,883	257,117
<b>NET POSITION</b>				
Net Investment in Capital Assets	872,892	-	1,461,444	2,334,336
Unrestricted	3,492,941	294,464	3,723,911	7,511,316
Total Net Position	<u>\$ 4,365,833</u>	<u>\$ 294,464</u>	<u>\$ 5,185,355</u>	<u>\$ 9,845,652</u>

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
BUSINESS-TYPE ACTIVITIES – ENTERPRISE FUNDS  
YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities			Total
	District	WAS	GMS	
<b>OPERATING REVENUE</b>				
Assessments	\$ 3,000	\$ -	\$ 1,790,974	1,793,974
Water	434,773	-	177,239	612,012
Miscellaneous	-	-	463,938	463,938
Total Operating Revenue	<u>437,773</u>	<u>-</u>	<u>2,432,151</u>	<u>2,869,924</u>
<b>OPERATING EXPENSES</b>				
Purchased Water and Storage	-	-	1,776,057	1,776,057
Supplies	1,198	-	347,443	348,641
Professional Fees	6,140	-	220,808	226,948
Utilities	18,013	-	8,545	26,558
Repairs and Maintenance	36,522	-	7,909	44,431
Depreciation	59,127	-	65,579	124,706
Other Expenses	11,322	-	195,837	207,159
Total Operating Expenses	<u>132,322</u>	<u>-</u>	<u>2,622,178</u>	<u>2,754,500</u>
<b>OPERATING INCOME (LOSS)</b>	305,451	-	(190,027)	115,424
<b>NONOPERATING REVENUE (EXPENSES)</b>				
Investment Earnings	46,071	4,099	35,784	85,954
Interest Expense	(39,769)	-	(49,045)	(88,814)
Property Taxes	37,096	-	147,719	184,815
Net Nonoperating Revenue (Expenses)	<u>43,398</u>	<u>4,099</u>	<u>134,458</u>	<u>181,955</u>
<b>CHANGE IN NET POSITION</b>	348,849	4,099	(55,569)	297,379
Fund Net Position - Beginning of Year (as restated)	<u>4,016,984</u>	<u>290,365</u>	<u>5,240,924</u>	<u>9,548,273</u>
<b>FUND NET POSITION - END OF YEAR</b>	<u>\$ 4,365,833</u>	<u>\$ 294,464</u>	<u>\$ 5,185,355</u>	<u>\$ 9,845,652</u>

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS  
YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities			Total
	District	WAS	GMS	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Receipts from Customers	\$ 437,773	\$ -	\$ 2,496,131	\$ 2,933,904
Payments to Suppliers and Employees	(62,436)	-	(1,668,966)	(1,731,402)
Net Cash Provided by Operating Activities	<u>375,337</u>	-	<u>827,165</u>	<u>1,202,502</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Debt Payments	(130,669)	-	-	(130,669)
Debt Issuance	-	-	157,232	157,232
Acquisition of Property, Plant, and Equipment	(505,030)	-	(383,413)	(888,443)
Increase (Decrease) in Due to Other Funds	(74,638)	-	383,777	309,139
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(710,337)</u>	-	<u>157,596</u>	<u>(552,741)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Property Taxes	37,096	-	147,719	184,815
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and Dividends Received	<u>46,071</u>	<u>4,099</u>	<u>35,784</u>	<u>85,954</u>
<b>INCREASE IN CASH AND CASHEQUIVALENTS</b>	<u>(251,833)</u>	<u>4,099</u>	<u>1,168,264</u>	<u>920,530</u>
Cash and Cash Equivalents - Beginning of Year	<u>3,690,142</u>	<u>290,365</u>	<u>1,678,558</u>	<u>5,659,065</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 3,438,309</u>	<u>\$ 294,464</u>	<u>\$ 2,846,822</u>	<u>\$ 6,579,595</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 305,451	\$ -	\$ (190,027)	\$ 115,424
Depreciation Expense	59,127	-	65,579	124,706
Change in Operating Assets and Liabilities:				
(Increase) Decrease in:				
Accounts Receivable	-	-	50,000	50,000
Prepaid Items	-	-	275,776	275,776
Inventory	-	-	309,719	309,719
Increase (Decrease) in:				
Accounts Payable and Accrued Expenses	10,759	-	302,138	312,897
Unearned Revenue	-	-	13,980	13,980
Net Cash Provided by Operating Activities	<u>\$ 375,337</u>	<u>\$ -</u>	<u>\$ 827,165</u>	<u>\$ 1,202,502</u>

See accompanying Notes to Basic Financial Statements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of the Central Colorado Water Conservancy District (the District) significant accounting policies is to assist the reader with interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

**Form of Organization**

On September 15, 1965, pursuant to the applicable provisions of the "Water Conservancy Act" of the state of Colorado, the District Court in and for Weld County, Colorado, approved the creation and establishment of a water conservancy district to be known as Central Colorado Water Conservancy District, (the District). The principal purpose of the District is to provide for the conservation of the water resources of the state of Colorado for the greatest beneficial use of water within this state and the territory within the District.

**Scope of Reporting Entity**

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

**Financial Reporting Entity**

In 2019, the District adopted Statement 90 of the Governmental Accounting Standards Board, *Majority Equity Interests*. For financial reporting purposes, management has considered all potential component units in defining the District. The basic criterion for including a potential component unit is the District's ability to exercise significant operational control or financial accountability with the District. Financial relationship or operational control is determined on the basis of the District's obligation to fund deficits, responsibility for debt, budgetary authority, fiscal management, selection of governing authority and/or management, and the ability to significantly influence operations.

Based on the criteria, there are two organizations that are considered blended component units of the District: the Well Augmentation Subdistrict of Central Colorado Water Conservancy District (WAS) and the Ground Water Management Subdistrict of Central Colorado Water Conservancy District (GMS).

WAS was established to conserve the water resources of the state of Colorado for the greatest beneficial use of water within this state to develop a plan of augmentation, which will replace the depletion of the river caused by underground water users in the South Platte river basin. The 15-member board of directors is the same as the District's. The District and WAS have the same management.

WAS has two governmental funds, the General Fund and Debt Service Fund and one proprietary enterprise fund, the Water Enterprise Fund. The General Fund of WAS is presented as a major special revenue fund of the District, and the Debt Service and Water Enterprise funds are presented pursuant to their function. Separate financial statements of WAS are available from the District's office.



**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial Reporting Entity (Continued)**

GMS was established to develop a plan of augmentation, which will replace the depletion of the river caused by underground water users in the South Platte River Basin. The 15-member board of directors is the same as the District's. The District and GMS have the same management.

GMS has two governmental funds, the General Fund and Debt Service Fund, and one proprietary enterprise fund, the Water Enterprise Fund. The General Fund of GMS is presented as a major special revenue fund of the District, and the Debt Service and Water Enterprise funds are presented pursuant to their function. Separate financial statements of GMS are available from the District's office.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

WAS Special Revenue Fund. The General Fund of WAS is reported as a special revenue fund of the District. It accounts for all financial resources of WAS, except for those accounted for in the WAS Debt Service Fund and the WAS Water Enterprise Fund.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

GMS Special Revenue Fund. The General Fund of GMS is reported as a special revenue fund of the District. It accounts for all the financial resources of GMS, except for those accounted for in the GMS Debt Service Fund and the GMS Water Enterprise Fund.

The Debt Service Fund accounts for the resources accumulated and payments made for the debt service requirements of the District.

WAS Debt Service Fund. The Debt Service Fund of WAS is used to account for the resources accumulated and payments for principal and interest on the long-term debt its governmental funds.

GMS Debt Service Fund. The Debt Service Fund of GMS is used to account for the resources accumulated and payments for principal and interest on the long-term debt of its governmental funds.

An enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The District reports the following major proprietary funds:

The Water Enterprise Funds of District, GMS, and WAS accounts for user charges and the expenses for operating, financing, and maintaining these water enterprise systems.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated.

Accounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

**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, as are the proprietary funds. 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.

Government 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 the 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 including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental grants, interest revenue, and charges for services 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.

**Adoption of New Accounting Standard**

In June 2017, the GASB issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

**Cash Equivalents**

For purposes of the statement of cash flows, the District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments**

Investments are reported at fair value.

**Receivables**

In the government-wide financial statements, receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible. No amounts were determined to be uncollectible at December 31, 2022.

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 County Treasurer to bill and collect its property taxes. Property taxes levied on December 31, 2022, are identified as property taxes receivable and deferred inflows of resources.

**Short-Term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position and, classified as due from other funds or due to other funds on the balance sheet.

**Inventory and Prepaid Items**

Inventory consists of gravel held for consumption and resale and is recorded at cost for the water enterprise fund. In the water enterprise fund, the cost of inventory is recorded as an expense when consumed and resold.

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items and will be reported as expenditures in the following year. Because these assets do not represent current financial resources, these amounts are shown as a nonspendable fund balance in the governmental funds.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are stated at cost except for easements which are reported with an original cost of over \$50,000. The cost of maintenance and repairs is charged against income as incurred; significant renewals, betterments, and improvements are capitalized. Depreciation has been computed using the straight-line method based on lives of 50 to 100 years for water projects and 5 to 40 years for equipment, vehicles, and the office building.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 two items that qualify for reporting in this category: changes in the net pension/OPEB liability not included in pension/OPEB expense reported in the government-wide statement of net position and the deferred loss on refunding.

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 qualify for reporting in this category: changes in the net pension/OPEB liability not included in pension/OPEB expense reported in the government-wide statement of net position and the deferred portion of property taxes.

**Compensated Absences**

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services rendered and it is probable that the District will compensate the employees for the benefits earned. Upon termination of employment from the District, and employee will be compensated for all accrued vacation and compensatory time at their current rate of pay; there is no payment for sick leave upon termination.

A liability for accrued vacation and compensatory time is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Budgets**

Colorado state law requires the adoption of an annual budget. Appropriations lapse at the end of each year. The budget and related appropriations are prepared on the budgetary basis, which differs from accounting principles generally accepted in the United States, in that:

- Capital outlays are budgeted as expenditures.
- Depreciation is not budgeted.

The District's board of directors adopts total budget appropriations for each of its funds. This is normally done in December of each year when notice is published in local newspapers and the proposed budget is held open for inspection by the taxpayers and a public hearing is held. The Board may transfer budget amounts between departments within any fund however, any revision that alters the total appropriation of any fund requires that a budget revision be adopted by resolution in the same manner described above for adoption of the original budget. The level of budgetary responsibility is by total fund appropriations.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Long-Term Obligations**

Long-term debt and other long-term obligations are reported as liabilities in the government-wide financial statements. Bond premiums and the deferred loss on refunding are deferred and amortized over the life of the bonds using the effective interest rate method over the term of the debt. Debt issuance costs are reported as an outflow of resources.

**Leases**

The District determines if an arrangement is a lease at inception. Leases are included in capital assets and long-term liabilities in the statements of net position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

**Funds Balance and Net Position**

In the government-wide financial statements, net position is classified in the following categories:

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Position* – This category represents the net position of the District, which is not restricted for any project or other purpose. A deficit will require future funding.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Funds Balance and Net Position (Continued)**

In the funds financial statements, fund balances of governmental funds are classified in five separate categories. The five categories, and their general meanings, are as follows:

*Nonspendable Fund Balance* – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted Fund Balance* – Amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, or the laws or regulations of other governments.

*Committed Fund Balance* – Amounts that can be used only for specific purposes determined by a formal action of the board of directors (the Board). The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.

*Assigned Fund Balance* – Amounts that do not meet criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board has authority to assign amounts for specific purposes.

*Unassigned Fund Balance* – All other spendable amounts. The General Fund is the only fund that would report a positive unassigned fund balance. However, in government funds other than the General Fund, if expenditures incurred for specific purposes exceed the amount that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned balance in that fund.

**Pensions**

The Central Colorado Water Conservancy 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 and 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.



**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Other Postemployment Benefits (OPEB)**

The Central Colorado Water Conservancy 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, deferred outflows and inflows of resources related to OPEB, 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.

**NOTE 2 CASH AND INVESTMENTS**

A summary of deposits and investments at December 31, 2022, follows:

Bank Deposits	\$	3,023,907
Cash with County Treasurers		74,344
Investments		58,967,426
Total Cash and Investments	<u>\$</u>	<u>62,065,677</u>
Cash and Investments	\$	36,256,164
Cash and Investments - Restricted		25,809,513
Total Cash and Investments	<u>\$</u>	<u>62,065,677</u>

The District's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the District's custodial banks under provisions of the Colorado Public Deposit Protection Act (PDPA). Bank deposits of \$250,000 were covered by federal depository insurance and balances of \$2,773,907 were covered by PDPA.

The Colorado Public Deposit Protection Act 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.

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the state of Colorado or of any county, school, authority, and certain Districts and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Credit Risk**

The District does not have specific policy regarding credit risk, but is required to comply with state of Colorado (State) statutes which specify instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest. State statutes do not address custodial risk.

At December 31, 2022, the District had invested \$58,967,426 in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operates similarly to a money market fund and each share is valued at the net asset value (NAV) of \$1.00. Investments of COLOTRUST consist of bills, notes, and bonds issued by the U.S. Treasury or a government agency, and repurchase agreements secured by such obligations. COLOTRUST is rated AAAM by Standard & Poor's. The District's interest is valued at NAV. COLOTRUST does not have any unfunded commitments, redemption restrictions or redemption notice periods.

**Interest Rate Risk**

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in the statutes. The District has interest rate risk related to its investments in COLOTRUST. At December 31, 2022, COLOTRUST has a weighted average maturity of 60 days or less.

**Concentration of Credit Risk**

The District places no limit on the amount that may be invested in any one issuer.

**Restricted Cash and Investments**

At December 31, 2022, the District has the following restricted cash balances:

General Funds - Colostrust	\$	16,302,735
Debt Service Funds - Colostrust		5,587,023
Debt Service Reserve - CWCB Loans		3,919,755

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CAPITAL ASSETS**

Capital activities for governmental activities are as follows:

	Balance December 31, 2021, Restated	Additions	Deletions/ Reclassifications	Balance December 31, 2022
<b>Capital Assets, Not Being Depreciated:</b>				
Water Rights	\$ 43,046,143	\$ 65,000	\$ -	\$ 43,111,143
Land	3,216,114	-	-	3,216,114
Right-to-Use Lease Assets - Land	1,082,174	-	-	1,082,174
Perpetual Easements	528,078	-	-	528,078
Ditch Carriage	375,000	-	-	375,000
Construction in Progress	6,317,853	2,270,317	(230,938)	8,357,232
<b>Total Capital Assets,     Not Being Depreciated</b>	<b>54,565,362</b>	<b>2,335,317</b>	<b>(230,938)</b>	<b>56,669,741</b>
<b>Capital Assets, Being Depreciated</b>				
Water Projects	104,717,496	1,872,665	230,938	106,821,099
Office Building	1,364,653	104,174	-	1,468,827
Computer Software	36,286	300	-	36,586
Equipment and Vehicles	3,682,375	434,068	-	4,116,443
<b>Total Capital Assets,     Being Depreciated</b>	<b>109,800,810</b>	<b>2,411,207</b>	<b>230,938</b>	<b>112,442,955</b>
<b>Accumulated Depreciation</b>				
Water Projects	(10,930,501)	(1,954,310)	-	(12,884,811)
Office Building	(424,056)	(52,977)	-	(477,033)
Computer Software	(1,815)	(9,205)	-	(11,020)
Equipment and Vehicles	(1,906,803)	(292,195)	-	(2,198,998)
<b>Total Accumulated Depreciation</b>	<b>(13,263,175)</b>	<b>(2,308,687)</b>	<b>-</b>	<b>(15,571,862)</b>
<b>Total Capital Assets,     Being Depreciated, Net</b>	<b>96,537,635</b>	<b>102,520</b>	<b>230,938</b>	<b>96,871,093</b>
<b>Capital Assets, Net</b>	<b>\$ 151,102,997</b>	<b>\$ 2,437,837</b>	<b>\$ -</b>	<b>\$ 153,540,834</b>

Governmental activities depreciation expense of \$2,308,687 has been included in general government on the statement of activities.

As a result of the implementation of GASB Statement No. 87 (GASB 87), Leases, \$1,082,174 in right-to-use lease assets for leases of land has been added to the beginning balance presented above. As these lease assets are offset by an equal amount of lease liabilities, the District does not report a restatement of beginning net position for the implementation of GASB 87.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CAPITAL ASSETS (CONTINUED)**

Capital activities for business-type activities are as follows:

	Balance December 31, 2021, Restated	Additions	Deletions	Balance December 31, 2022
Capital Assets, Not Being Depreciated:				
Water Rights	\$ 863,650	\$ -	\$ -	\$ 863,650
Construction in Progress	591,378	368,111	-	959,489
Total Capital Assets, Not Being Depreciated	1,455,028	368,111	-	1,823,139
Capital Assets, Being Depreciated				
Water Projects	5,832,524	511,483	-	6,344,007
Equipment	63,900	8,849	-	72,749
Less: Accumulated Depreciation	(254,278)	(124,706)	-	(378,984)
Total Capital Assets, Being Depreciated, Net	5,642,146	395,626	-	6,037,772
Capital Assets, Net	<u>\$ 7,097,174</u>	<u>\$ 763,737</u>	<u>\$ -</u>	<u>\$ 7,860,911</u>

The beginning balance was restated due to correction of an error by \$2,130,300. This decrease in capital assets was partially offset by an increase in inventory of \$2,011,049, resulting in a net restatement of beginning net position due to correction of an error of \$119,251. See Note 11.

**NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO**

**Plan Description**

Eligible employees of the Central Colorado Water Conservancy 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 annual comprehensive financial report that can be obtained at [www.copera.org/investments/pera-financial-reports](http://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.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO (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% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% 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% 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% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether five years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, 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. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 will receive the maximum annual increase (AI) or AI cap of 1.00%. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified C.R.S. § 24-51-413.

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 benefits.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO (CONTINUED)**

**Contributions**

Contributions provisions as of December 31, 2022: Eligible employees and the 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. and § 24-51-413. Employer contribution rates for the period of January 1, 2022 through December 31, 2022 are summarized in the table below:

	<u>December 31, 2022</u>
Employer Contribution Rate as a Percentage of Salary	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%
Total Apportioned to the LGDTF	9.48%
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411	1.50%
Defined Contribution Supplement as specified in C. R. S. § 24-51-415	0.02%
Total Employer Contribution Rate to the LGDTF	13.20%

Rates 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 County is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the County were \$179,075 for the year ended December 31, 2022.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2022, the District reported an asset of \$145,324 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the total pension liability to December 31, 2021. The Subdistrict proportion of the net pension liability was based on the Subdistrict's contributions to the LGDTF for the calendar year 2021 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2021, the District's proportion was .1695%, which was an increase of .0017% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the District recognized pension expense of (\$318,265). At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 7,102	\$ 2,427
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,257,079
Changes in Assumptions	49,262	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	19,735	-
Contributions Subsequent to the Measurement Date	179,075	-
Total	\$ 255,174	\$ 1,259,506

Deferred outflows of resources related to pensions of \$179,075, 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, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ (252,477)
2024	(475,082)
2025	(303,306)
2026	(152,542)
Total	\$ (1,183,407)

**Actuarial Assumptions**

The total pension 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	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.20% - 11.30%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount Rate	7.25%
Future Postretirement Benefit Increases:	
PERA Benefit Structure Hired Prior to 1/1/07 (Automatic)	1.00% Compounded Annually
PERA Benefit Structure Hired After 12/31/06 (Ad Hoc, Substantively Automatic)	Financed by the Annual Increase Reserve

<sup>1</sup> Postretirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO (CONTINUED)**

**Actuarial Assumptions (Continued)**

The TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for Members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

Postretirement nondisabled mortality assumptions for Members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by PERA's Board at their November 20, 2020, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, 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 percentages and then adding expected inflation.



**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
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**NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO (CONTINUED)**

**Actuarial Assumptions (Continued)**

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30-Year Geometric Expected Real Rate of Return</u>
Global Equity	54.00 %	5.60 %
Fixed Income	23.00	1.30
Private Equity	8.50	7.10
Real Estate	8.50	4.40
Alternatives	6.00	4.70
Total	<u>100.00</u>	

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%.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
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**NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO (CONTINUED)**

**Discount Rate (Continued)**

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, 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 of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount determination does not use the municipal bond index rate and, therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO (CONTINUED)**

**Sensitivity of the 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%, 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%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability (Asset)	\$ 996,425	\$ (145,324)	\$ (1,100,346)

**Pension Plan Fiduciary Net Position**

Detailed information about the LGDTF' s fiduciary net position is available in PERA's annual comprehensive financial report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Plan Description**

Eligible employees of the District are provided with OPEB through the Health Care Trust Fund (HCTF) - a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (PERA). The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**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.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**Benefits Provided (Continued)**

For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four divisions (State Division, School Division, Local Government Division and Judicial Division Trust Funds), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

**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. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

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% 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 the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$13,859 for the year ended December 31, 2022.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At December 31, 2022, the District reported a liability of \$113,620 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2021. The District proportion of the net OPEB liability was based on the District contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the District proportion was .01318%, which was an increase of .0003% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the District recognized OPEB expense of \$3,928. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 173	\$ 26,941
Changes of Assumptions or other Inputs	2,352	6,163
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	7,033
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share Share of Contributions	14,169	2,417
Contributions Subsequent to the Measurement Date	13,859	-
Total	\$ 30,553	\$ 42,554

Deferred outflows of resources related to OPEB of \$13,859, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Amount
2023	\$ (5,995)
2024	(7,674)
2025	(9,033)
2026	(2,981)
2027	(168)
Thereafter	(9)
Total	\$ (25,860)

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**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	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.20%-11.30%
Long-Term Investment Rate of Return, Net of OPEB Plan	
Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	4.50% in 2021, 6.00% in 2022 gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.75% for 2021, gradually increasing to 4.50% in 2029

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2020, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2021 for the PERA Benefit Structure:

	<u>Initial Costs for Members without Medicare Part A</u>		
	<u>Monthly Cost</u>	<u>Monthly Premium</u>	<u>Monthly Cost Adjusted to Age 65</u>
Medicare Advantage/Self-Insured Prescription	\$ 633	\$ 230	\$ 591
Kaiser Permanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is \$471 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

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.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**Actuarial Assumptions (Continued)**

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

<u>Year</u>	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

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.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Postretirement nondisabled mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**Actuarial Assumptions (Continued)**

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, 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 percentages and then adding expected inflation.



**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
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**NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**Actuarial Assumptions (Continued)**

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30-Year Geometric Expected Real Rate of Return
Global Equity	54.00 %	5.60 %
Fixed Income	23.00	1.30
Private Equity	8.50	7.10
Real Estate	8.50	4.40
Alternatives	6.00	4.70
Total	<u>100.00</u>	

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 the Subdistrict 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	3.50%	4.50%	5.50%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	\$ 110,358	\$ 113,620	\$ 117,400

**Discount Rate**

The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**Discount Rate (Continued)**

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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% 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%.

**Sensitivity of the District 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%, 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%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	\$ 131,958	\$ 113,620	\$ 97,957

**OPEB Plan Fiduciary Net Position**

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

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 6 LONG-TERM DEBT**

Changes in governmental long-term debt during the year were as follows:

Description	Balance	Additions	Retirements	Balance	Due Within One Year
	December 31, 2021, Restated			December 31, 2022	
2013 G.O. Bond	\$ 8,790,000	\$ -	\$ 1,115,000	\$ 7,675,000	\$ 1,160,000
Bond Premium	261,523	-	59,800	201,723	201,723
2021 Refunding - 2013 GO Bond	14,645,000	-	160,000	14,485,000	165,000
2016 CWCB Loan - Chatfield	18,787,616	-	525,706	18,261,910	534,906
2018 CWCB Loan - Chatfield	6,670,684	-	6,670,684	-	-
2018 CWCB (Shores) - WAS	2,305,816	-	2,305,816	-	-
2010 CWCB - WAS	10,688,046	-	446,339	10,241,707	457,498
2015 CWCB - WAS	1,478,055	-	1,478,055	-	-
2019 CWCB (Walker) - WAS	3,000,000	30,000	77,658	2,952,342	79,017
2019 CWCB (Walker) - GMS	9,750,000	97,500	252,389	9,595,111	256,806
2019 Bond - GMS	11,375,000	-	1,190,000	10,185,000	1,250,000
2019 Bond Premium	1,334,340	-	280,608	1,053,732	251,253
2019 CWCB (Pioneer) - GMS	3,202,750	2,162,441	-	5,365,191	-
2020 Bond Issue - WAS	5,845,000	-	120,000	5,725,000	125,000
2020 Bond Issue - WAS - Premium	349,533	-	21,940	327,593	21,435
2021 Bond - GMS	14,140,000	-	475,000	13,665,000	500,000
2021 Bond Premium - GMS	3,113,134	-	288,475	2,824,659	277,518
Compensated Absences	33,242	90,502	33,242	90,502	-
Leases Payable - WAS	428,225	-	32,092	396,133	28,143
Leases Payable - GMS	653,949	-	57,096	596,853	55,847
Total	<u>\$ 116,851,913</u>	<u>\$ 2,380,443</u>	<u>\$ 15,589,900</u>	<u>\$ 103,642,456</u>	<u>\$ 5,364,146</u>

As a result of the implementation of GASB Statement No. 87 (GASB 87), Leases, \$1,082,174 in lease liabilities for leases of land has been added to the beginning balance presented above. As these lease assets are offset by an equal amount of right-to-use lease assets for leases of land, the District does not report a restatement of beginning net position for the implementation of GASB 87.

In 2013, the District obtained a 23-year general obligation bond for \$29,250,000. Escalating principal payments paid annually; interest payments with varying coupon rates of 1.5% to 5.0% paid semi-annually through December 1, 2036. Property taxes have been pledged for the purpose of repayment of this bond. In 2021, \$13,020,000 was refunded by the Series 2021 limited tax general obligation refunding bond.

In 2016, the District obtained a loan from the CWCB for \$19,812,059. During 2017, the District began drawing on the loan to fund costs related to expansion of Chatfield Reservoir. The loan requires annual payments of \$854,489 including principal and interest at a rate of 1.75% are due annually, for thirty years, through September 1, 2049.

In 2018, the District obtained a loan from the CWCB for \$7,000,310 with a final revised balance of \$6,670,684. The loan requires annual payments of \$301,922 at 1.75% through June 1, 2050. This loan was paid in full in 2022.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 6 LONG-TERM DEBT (CONTINUED)**

In 2021, the District issued a limited tax general obligation refunding bonds for \$14,875,000 with interest rates ranging between 0.325% and 2.657%. The District issued the bonds to advanced refund \$13,020,000 of the outstanding Series 2013 general obligation bond. Varying principal and interest payments are paid annually through December 1, 2036. The District used the net proceeds to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the 2013 Series bond. As a result, that portion of the 2013 Series bond is considered defeased, and the District has removed the liability from its accounts. The outstanding principal of the defeased bond is \$13,020,000 at December 31, 2022. The advance refunding reduced total debt service payments over the next 15 years by nearly \$1.3 million. This resulted in an economic gain of \$1.1 million.

In 2010, WAS obtained a loan from the Colorado Water Conservation Board (CWCB). At December 31, 2022, the outstanding balance was \$10,241,707. The loan requires annual payments of \$713,541, bearing interest at 2.5%, through June 1, 2040. Property taxes have been pledged to CWCB for the purpose of repayment of this loan. A debt service reserve account is required to be established and funded at an amount equal to one-tenth of an annual payment on the due date of the first payment and annually thereafter for the first 10 years.

In 2015, WAS obtained a loan from the Colorado Water Conservation Board (CWCB) for \$1,478,055. Annual payments of \$71,246 including principal and interest at a rate of 1.75% are due annually through June 1, 2035. This loan was repaid in full in 2022.

In 2018, WAS obtained a loan from the CWCB for \$2,367,440, requiring annual payments including interest, at 1.65%, through January 1, 2050. This loan was repaid in full in 2022.

In 2019, WAS obtained a loan from the CWCB for \$3,030,000 requiring annual payments including interest, at 1.75%, through January 1, 2053. Property taxes have been pledged to CWCB for the purpose of repayment of this loan.

In 2020, WAS issued a 30-year bond for \$6,015,000, requiring annual payments including interest at 4% through January 1, 2050. Property taxes have been pledged to CWCB for the purpose of repayment of this bond.

In 2019, GMS issued a 10-year limited tax water conservancy bond for \$16,015,000. Varying principal payments are paid annually; interest payments with coupon rates of 5.0% paid semi-annually through December 1, 2029. Property taxes have been pledged for the purpose of repayment of this loan.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 LONG-TERM DEBT (CONTINUED)**

In 2019, GMS obtained a loan from the CWCB for \$8,697,110 with a present balance of \$5,365,191. The loan requires annual payments including interest at 1.2% through June 1, 2029 beginning at the date the loan is fully funded, at which time a formal repayment schedule will be established. Accordingly, the present balance of \$5,365,191 is not included in the future repayment schedule. Property taxes have been pledged to CWCB for the purpose of repayment of this loan.

In 2019, GMS obtained a loan from the CWCB for \$9,847,500 requiring annual payments including interest, at 1.75%, through January 1, 2053. Property taxes have been pledged to CWCB for the purpose of repayment of this loan.

In 2021, GMS issued a 20-year limited tax water conservancy bond for \$14,140,000. Varying principal payments are paid annually; interest payments with coupon rates of 4.0%-5.0% paid semi-annually through December 1, 2040. Property taxes have been pledged for the purpose of repayment of this loan.

Future payments of governmental long-term debt as December 31, 2022, are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 4,528,227	\$ 2,675,210	\$ 7,203,437
2024	4,674,902	2,526,167	7,201,069
2025	4,862,130	2,341,432	7,203,562
2026	5,029,922	2,172,678	7,202,600
2027	5,178,290	1,996,399	7,174,689
2028-2032	23,263,040	7,467,099	30,730,139
2033-2037	20,906,157	4,422,231	25,328,388
2038-2042	12,136,715	1,980,620	14,117,335
2043-2047	7,788,827	893,836	8,682,663
2048-2052	4,417,861	165,931	4,583,792
Total	<u>\$ 92,786,071</u>	<u>\$ 26,641,603</u>	<u>\$ 119,427,674</u>

**Loss on Refunding**

The remaining deferred loss on refunding resulting from the 2021 refunding bonds, recognized as deferred outflows of resources, as of December 31, 2022, is as follows:

<u>Description</u>	<u>Balance December 31, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2022</u>
2021 Refunding	\$ 1,017,131	\$ -	\$ 87,575	\$ 929,556
	<u>\$ 1,017,131</u>	<u>\$ -</u>	<u>\$ 87,575</u>	<u>\$ 929,556</u>

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 LONG-TERM DEBT (CONTINUED)**

Changes in business type long-term debt are as follows:

<u>Description</u>	Balance December 31,			Balance December 31,		Due Within One Year
	2021	Additions	Retirements	2022		
2019 CWCB (Walker)	\$ 2,250,000	\$ 22,500	\$ 58,244	\$ 2,214,256	\$ 59,263	
2021 Loan - GMS	3,155,087	157,232	-	3,312,319	-	
Total	<u>\$ 5,405,087</u>	<u>\$ 179,732</u>	<u>\$ 58,244</u>	<u>\$ 5,526,575</u>	<u>\$ 59,263</u>	

In 2019, the District obtained a loan from the CWCB for \$2,272,500 requiring annual payments including interest, at 1.75%, through January 1, 2053. Property taxes have been pledged to CWCB for the purpose of repayment of this loan.

In 2021, GMS obtained a 30-year loan from the CWCB for \$5,444,405 with a present balance of \$3,312,319. The loan bears interest at 1.42%. A formal repayment schedule will be established once the loan has been fully funded. Accordingly, the present balance of \$3,312,319 is excluded from the future repayment schedule.

Future payments of business type long-term debt as of as of December 31, 2022, are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 59,263	\$ 38,749	\$ 98,012
2024	60,300	37,712	98,012
2025	61,355	36,657	98,012
2026	62,429	35,583	98,012
2027	63,521	34,491	98,012
2028-2032	334,676	155,386	490,062
2033-2037	365,003	125,059	490,062
2038-2042	398,078	91,983	490,061
2043-2047	434,151	55,911	490,062
2048-2052	375,480	16,570	392,050
Total	<u>\$ 2,214,256</u>	<u>\$ 628,101</u>	<u>\$ 2,842,357</u>

**Leases**

The District leases land easements for recharge sites with various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2069. The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the District has elected to use their incremental borrowing rate of 2.75% to calculate the present value of expected lease payments.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 LONG-TERM DEBT (CONTINUED)**

Total future minimum lease payments under governmental activities lease agreements are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 83,990	\$ 25,609	\$ 109,599
2024	78,066	23,534	101,600
2025	75,190	21,410	96,600
2026	64,535	19,565	84,100
2027	39,899	18,201	58,100
2028 - 2032	171,333	73,667	245,000
2033 - 2037	103,757	59,243	163,000
2038 - 2042	100,590	44,410	145,000
2043 - 2047	37,064	35,936	73,000
2048 - 2052	42,434	30,566	73,000
2053 - 2057	48,622	24,378	73,000
2058 - 2062	55,688	17,312	73,000
2063 - 2067	63,782	9,218	73,000
2068 - 2069	28,036	1,165	29,201
Total	<u>\$ 992,986</u>	<u>\$ 404,214</u>	<u>\$ 1,397,200</u>

**NOTE 7 INDIVIDUAL FUND INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position and as due from other funds due/to other funds on the funds statement balance sheet. All interfund receivables and payables are expected to be paid within the next year.

As of December 31, 2022, the District has the following interfund receivables and payables:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund - District	\$ 266,400	\$ 105,481
General Fund - GMS	-	54,447
General Fund - WAS	63,118	-
Debt Service Fund - District	5,490	-
Debt Service Fund - GMS	32,371	-
Debt Service Fund - WAS	-	18,462
Water Enterprise Fund - District	74,011	-
Water Enterprise Fund - GMS	2,715	265,715
Total	<u>\$ 444,105</u>	<u>\$ 444,105</u>

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 8 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance covering specific and general risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage.

**NOTE 9 COMMITMENTS AND CONTINGENCIES**

In 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 District enterprise activities. The District believes it is in compliance with the requirements of TABOR.

On November 4, 2014, the voting electors of the District authorized the District to collect, retain, and expend all excess revenues and other funds collected in the calendar year 2005 and in each subsequent calendar year thereafter without further voter approval, notwithstanding the limitations of Article X, Section 20 of the Colorado Constitution or any other law. This effectively removed all revenue and spending limits imposed by TABOR.

On November 4, 2005, the voting electors of WAS authorized WAS to collect, retain, and expend all excess revenues and other funds collected in calendar year 2005 and in each subsequent calendar year thereafter without further voter approval, notwithstanding the limitations of Article X, Section 20 of the Colorado Constitution or any other law. This effectively removed all revenue and spending limits imposed by TABOR.

On November 6, 2013, the voting electors of the GMS authorized GMS to collect, retain, and expend the full amount of revenues generated from all sources without limitation or condition under Article X, Section 20 of the Colorado Constitution and as an exception to the limitations under Section 29-1-301 of the Colorado Revised Statutes and related limits. This effectively removed all revenue and spending limits imposed by TABOR. The District believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require judicial interpretation.

On November 6, 2012, the District's voters approved the issuance of up to \$60,000,000 of debt. At December 31, 2022, \$3,937,631 of this debt remains unissued.

WAS has authorized but unissued debt of approximately \$11 million and GMS has authorized but unissued debt of approximately \$20 million at December 31, 2022.



**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 10 RELATED PARTY TRANSACTIONS**

The District entered into a cost-sharing agreement with Chatfield Reservoir Mitigation Company (CRMC) to build storage in the Chatfield Reservoir. The District's total share of the project was approximately \$36 million, which was placed into service in March 2021. The District pays CRMC annual assessments for shares of water from the Chatfield Reservoir. A member of District management is President of the Chatfield Reservoir Mitigation Company.

**NOTE 11 RESTATEMENT**

During the year ended December 31, 2022, beginning net position of the business-type activities and the GMS water enterprise fund was restated to record the impact of reclassifying previously reported capital assets as inventory, and to recognize the adjustment to beginning net position for the variance between previously recorded depreciation and the cost of inventory previously sold. The restatements are as follows:

	Business-Type Activities	GMS Water Enterprise Fund
Net Position, as Previously Reported at December 31, 2021	\$ 9,667,524	\$ 5,360,175
Restatement Due to Correction of Error	(119,251)	(119,251)
Net Position, as Restated, at January 1, 2022	\$ 9,548,273	\$ 5,240,924

**REQUIRED SUPPLEMENTARY INFORMATION**

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS  
YEAR ENDED DECEMBER 31, 2022**

Fiscal Year	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 179,075	\$ 166,229	\$ 140,714	\$ 139,673	\$ 134,008	\$ 127,063	\$ 109,477	\$ 98,537	\$ 95,229	\$ 92,306
Contributions in Relation to the Contractually Required Contribution	179,075	166,229	140,714	139,673	134,008	127,063	109,477	98,537	95,229	92,306
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 1,358,690	\$ 1,261,221	\$ 1,088,017	\$ 1,101,522	\$ 1,062,675	\$ 1,008,602	\$ 757,275	\$ 766,496	\$ 743,023	\$ 736,380
Contributions as a Percentage of Covered Payroll	13.2%	13.2%	12.9%	12.7%	12.6%	12.6%	14.5%	12.9%	12.8%	12.5%

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
 SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS  
 YEAR ENDED DECEMBER 31, 2022**

Fiscal Year	2022	2021	2020	2019	2018	2017
Statutorily Required Contribution	\$ 13,859	\$ 12,864	\$ 11,098	\$ 11,235	\$ 10,850	\$ 11,115
Contributions in Relation to the Statutorily Required Contribution	13,859	12,864	11,098	11,235	10,850	11,115
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 1,358,690	\$ 1,261,221	\$ 1,088,017	\$ 1,101,522	\$ 1,062,675	\$ 1,008,602
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.0%	1.0%	1.1%

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

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
YEAR ENDED DECEMBER 31, 2022**

Fiscal Year	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan Measurement Date	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
(Entity)'s Proportion of the Net Pension Liability	0.169499468%	0.167755355%	0.159391616%	0.162019261%	0.149753564%	0.146622845%	0.1366833272%	0.137057599%	0.136448263%
(Entity)'s Proportionate Share of the Net Pension Liability	\$ (145,324)	\$ 874,218	\$ 1,165,776	\$ 2,036,927	\$ 1,667,401	\$ 1,979,908	\$ 1,507,329	\$ 1,028,012	\$ 1,228,459
(Entity)'s Covered Payroll	1,261,221	1,088,017	1,101,522	1,062,675	1,008,602	757,275	766,496	743,023	736,380
(Entity)'s Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	(11.5%)	80.3%	105.8%	191.7%	165.3%	261.5%	196.7%	138.4%	166.8%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.5%	90.9%	86.3%	76.0%	79.4%	73.6%	76.9%	80.7%	77.7%

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

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET OPEB LIABILITY  
YEAR ENDED DECEMBER 31, 2022**

Fiscal Year	2022	2021	2020	2019	2018
Plan Measurement Date	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
(Entity)'s Proportion (Percentage) of the Collective Net OPEB Liability	0.0131763692%	0.0128057625%	0.0122075067%	0.0125646126%	0.0116365546%
(Entity)'s Proportionate Share of the Collective Net OPEB Liability	\$ 113,620	\$ 121,684	\$ 137,212	\$ 151,228	\$ 151,240
Covered payroll	\$ 1,261,221	\$ 1,088,017	\$ 1,101,522	\$ 1,062,675	\$ 1,008,602
(Entity)'s Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	9.01%	11.18%	12.46%	14.23%	15.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39.40%	32.78%	24.49%	17.03%	17.53%

\* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2017 was not available.

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – GENERAL FUND  
YEAR ENDED DECEMBER 31, 2022**

	Actual	Original and Final Budget	Variance
<b>REVENUE</b>			
Property Taxes	\$ 2,328,144	\$ 2,325,648	\$ 2,496
Specific Ownership Taxes	392,760	276,000	116,760
Investment Income	92,003	1,500	90,503
Miscellaneous	225,652	17,500	208,152
State and Federal Grants	63,522	-	63,522
Total Revenue	<u>3,102,081</u>	<u>2,620,648</u>	<u>481,433</u>
<b>EXPENDITURES</b>			
Operating Expenses:			
Personnel	740,915	926,610	185,695
Maintenance	99,357	29,700	(69,657)
Supplies	115,979	36,200	(79,779)
Professional	494,272	177,500	(316,772)
Travel and Meals	14,196	10,550	(3,646)
Water Purchases and Storage	318,384	625,500	307,116
Other	267,840	4,076,250	3,808,410
Total Operating Expenses	<u>2,050,943</u>	<u>5,882,310</u>	<u>3,831,367</u>
Capital Outlay:			
Building	102	-	(102)
Equipment and Vehicles	147,622	66,667	(80,955)
Computer Software	34,977	13,000	(21,977)
Water Projects	72,440	4,224,500	4,152,060
Construction Projects	763	-	(763)
Total Capital Outlay	<u>255,904</u>	<u>4,304,167</u>	<u>4,048,263</u>
Total Expenditures	<u>2,306,847</u>	<u>10,186,477</u>	<u>7,879,630</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	795,234	(7,565,829)	8,361,063
<b>OTHER FINANCING SOURCES (USES)</b>			
Donations	5,600	-	(5,600)
Total Other Financing Sources (Uses)	<u>5,600</u>	<u>-</u>	<u>(5,600)</u>
<b>CHANGE IN FUND BALANCE</b>	800,834	(7,565,829)	8,355,463
Fund Balances - Beginning of Year	<u>6,730,991</u>	<u>7,659,413</u>	<u>(928,422)</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 7,531,825</u>	<u>\$ 93,584</u>	<u>\$ 7,427,041</u>

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
WELL AUGMENTATION SUBDISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – SPECIAL REVENUE FUND  
YEAR ENDED DECEMBER 31, 2022**

	Actual	Original and Final Budget	Variance
<b>REVENUE</b>			
Class D Assessments	\$ 1,047,000	\$ 1,082,500	(35,500)
Property Taxes	598,271	597,980	291
Specific Ownership Taxes	130,444	93,750	36,694
Investment Income	81,908	1,500	80,408
Miscellaneous	75,878	16,500	59,378
Federal and State Grants	-	25,000	(25,000)
Total Revenue	<u>1,933,501</u>	<u>1,817,230</u>	<u>116,271</u>
<b>EXPENDITURES</b>			
Operating Expenses:			
Personnel	419,074	474,055	54,981
Maintenance	222,958	28,900	(194,058)
Supplies	105,308	34,200	(71,108)
Professional	299,782	156,000	(143,782)
Travel and Meals	14,474	10,550	(3,924)
Water Purchases	760,122	1,111,370	351,248
Utilities	11,136	-	(11,136)
Other	216,499	1,403,000	1,186,501
Debt Service	72,380	-	(72,380)
Total Operating Expenses	<u>2,121,733</u>	<u>3,218,075</u>	<u>1,096,342</u>
Capital Outlay:			
Equipment and Vehicles	68,725	66,667	(2,058)
Computer Software	34,599	13,000	(21,599)
Water Projects	130,232	4,684,395	4,554,163
Construction Projects	82,135	-	(82,135)
Field Equipment	1,799	446,500	444,701
Shores Gravel Pit	99	70,000	69,901
Total Capital Outlay	<u>317,589</u>	<u>5,280,562</u>	<u>4,962,973</u>
Total Expenditures	<u>2,439,322</u>	<u>8,498,637</u>	<u>6,059,315</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	(505,821)	(6,681,407)	6,175,586
<b>OTHER FINANCING SOURCES (USES)</b>			
Loan Proceeds	30,000	785,262	(755,262)
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>785,262</u>	<u>(755,262)</u>
<b>CHANGE IN FUND BALANCE</b>	(475,821)	(5,896,145)	5,420,324
Fund Balances - Beginning of Year	6,009,149	6,693,838	(684,689)
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 5,533,328</u>	<u>\$ 797,693</u>	<u>\$ 4,735,635</u>



**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
GROUND WATER MANAGEMENT SUBDISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – SPECIAL REVENUE FUND  
YEAR ENDED DECEMBER 31, 2022**

	Actual	Original and Final Budget	Variance
<b>REVENUE</b>			
Property Taxes	\$ 1,341,830	\$ 1,342,844	\$ (1,014)
Specific Ownership Taxes	359,788	215,750	144,038
Investment Income	303,789	1,500	302,289
Federal and State Grants	1,500,000	1,550,000	(50,000)
Miscellaneous	414,542	25,000	389,542
Water Assessments	4,166	-	4,166
Total Revenue	<u>3,924,115</u>	<u>3,135,094</u>	<u>789,021</u>
<b>EXPENDITURES</b>			
Operating Expenses:			
Personnel	420,853	475,805	54,952
Maintenance	290,546	28,900	(261,646)
Supplies	121,512	34,200	(87,312)
Professional	232,487	88,500	(143,987)
Travel and Meals	14,324	10,550	(3,774)
Water Purchases and Storage	177,753	626,000	448,247
Utilities	66,008	-	(66,008)
Other	268,208	1,442,000	1,173,792
Debt Service	169,980	-	(169,980)
Total Operating Expenses	<u>1,761,671</u>	<u>2,705,955</u>	<u>944,284</u>
Capital Outlay:			
Water Rights	65,000	-	(65,000)
Buildings	99	-	(99)
Equipment and Vehicles	142,815	343,667	200,852
Computer Software	34,599	13,000	(21,599)
Water Projects	1,754,294	669,820	(1,084,474)
Construction Projects	2,217,242	-	(2,217,242)
Gravel Pit Reservoirs	-	30,550,054	30,550,054
Total Capital Outlay	<u>4,214,049</u>	<u>31,576,541</u>	<u>27,362,492</u>
Total Expenditures	<u>5,975,720</u>	<u>34,282,496</u>	<u>28,306,776</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	(2,051,605)	(31,147,402)	29,095,797
<b>OTHER FINANCING SOURCES (USES)</b>			
Debt Issuances	2,259,941	7,972,604	5,712,663
Total Other Financing Sources (Uses)	<u>2,259,941</u>	<u>7,972,604</u>	<u>5,712,663</u>
<b>CHANGE IN FUND BALANCES</b>	208,336	(23,174,798)	34,808,460
Fund Balances - Beginning of Year	21,474,747	23,394,037	(1,919,290)
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 21,683,083</u>	<u>\$ 219,239</u>	<u>\$ 32,889,170</u>

## **OTHER SUPPLEMENTARY INFORMATION**

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – DEBT SERVICE FUND  
YEAR ENDED DECEMBER 31, 2022**

	Actual	Original Budget	Final Budget	Variance
<b>REVENUE</b>				
Property Taxes	\$ 3,898,279	\$ 3,896,335	\$ 3,896,335	\$ 1,944
Investment Income	126,480	3,000	3,000	123,480
Total Revenue	<u>4,024,759</u>	<u>3,899,335</u>	<u>3,899,335</u>	<u>125,424</u>
<b>EXPENDITURES</b>				
Operating Expenses:				
Treasurer's Fees	58,806	75,000	75,000	16,194
Debt Service:				
Principal	8,471,390	8,471,706	8,471,706	316
Interest	1,039,632	939,768	1,139,768	100,136
Total Expenditures	<u>9,569,828</u>	<u>9,486,474</u>	<u>9,686,474</u>	<u>116,646</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	(5,545,069)	(5,587,139)	(5,787,139)	242,070
<b>CHANGE IN FUND BALANCE</b>	(5,545,069)	(5,587,139)	(5,787,139)	242,070
Fund Balances - Beginning of Year	<u>13,572,890</u>	<u>14,433,084</u>	<u>14,433,084</u>	<u>(860,194)</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 8,027,821</u></u>	<u><u>\$ 8,845,945</u></u>	<u><u>\$ 8,645,945</u></u>	<u><u>\$ (618,124)</u></u>

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
WELL AUGMENTATION SUBDISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – DEBT SERVICE FUND  
YEAR ENDED DECEMBER 31, 2022**

	Actual	Original Budget	Final Budget	Variance
<b>REVENUE</b>				
Property Taxes	\$ 1,534,604	\$ 1,533,885	\$ 1,533,885	\$ 719
Investment Income	82,116	1,500	1,500	80,616
Miscellaneous	3,537	-	-	3,537
Total Revenue	<u>1,620,257</u>	<u>1,535,385</u>	<u>1,535,385</u>	<u>84,872</u>
<b>EXPENDITURES</b>				
Operating Expenses:				
Treasurer's Fees	23,589	65,000	65,000	41,411
Debt Service:				
Principal	4,427,869	4,515,904	4,515,904	88,035
Interest	623,190	539,464	689,464	66,274
Total Expenditures	<u>5,074,648</u>	<u>5,120,368</u>	<u>5,270,368</u>	<u>195,720</u>
<b>CHANGE IN FUND BALANCE</b>	(3,454,391)	(3,584,983)	(3,734,983)	280,592
Fund Balances - Beginning of Year	<u>9,025,473</u>	<u>9,129,421</u>	<u>9,129,421</u>	<u>(103,948)</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 5,571,082</u></u>	<u><u>\$ 5,544,438</u></u>	<u><u>\$ 5,394,438</u></u>	<u><u>\$ 176,644</u></u>

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
GROUND WATER MANAGEMENT SUBDISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – DEBT SERVICE FUND  
YEAR ENDED DECEMBER 31, 2022**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUE</b>				
Property Taxes	\$ 4,395,671	\$ 4,398,541	\$ 4,398,541	\$ (2,870)
Investment Income	115,907	750	750	115,157
Total Revenue	<u>4,511,578</u>	<u>4,399,291</u>	<u>4,399,291</u>	<u>112,287</u>
<b>EXPENDITURES</b>				
Operating Expenses:				
Treasurer's Fees	67,156	95,000	95,000	27,844
Debt Service:				
Principal	1,917,389	1,274,460	1,774,460	(142,929)
Interest	<u>1,503,840</u>	<u>2,225,307</u>	<u>2,225,307</u>	<u>721,467</u>
Total Expenditures	<u>3,488,385</u>	<u>3,594,767</u>	<u>4,094,767</u>	<u>606,382</u>
<b>CHANGE IN FUND BALANCE</b>	1,023,193	804,524	304,524	718,669
Fund Balances - Beginning of Year	<u>5,786,155</u>	<u>5,776,000</u>	<u>5,776,000</u>	<u>10,155</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 6,809,348</u></u>	<u><u>\$ 6,580,524</u></u>	<u><u>\$ 6,080,524</u></u>	<u><u>\$ 728,824</u></u>

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – WATER ENTERPRISE FUND  
YEAR ENDED DECEMBER 31, 2022**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUE</b>				
Water Assessments	\$ 3,000	\$ -	\$ -	\$ 3,000
Water Revenue	434,773	382,457	382,457	52,316
Investment Income	-	750	750	(750)
Miscellaneous	-	65,000	65,000	(65,000)
Proceeds of Debt	-	589,360	589,360	(589,360)
Property Taxes	37,096	37,117	37,117	(21)
Total Revenue	<u>474,869</u>	<u>1,074,684</u>	<u>1,074,684</u>	<u>(599,815)</u>
<b>EXPENDITURES</b>				
Operating Expenses:				
Other	66,893	2,000	202,000	135,107
Capital Outlay:				
Walker Recharge	-	589,360	589,360	589,360
Geisert	-	27,500	27,500	27,500
Rinn Valley	-	41,500	41,500	41,500
Total Expenditures	<u>66,893</u>	<u>660,360</u>	<u>860,360</u>	<u>793,467</u>
Perspective Differences:				
Proceeds from Debt	-	-	-	-
Depreciation Expense	59,127	-	-	(59,127)
Capital Outlay	-	-	-	-
Total Perspective Differences	<u>59,127</u>	<u>-</u>	<u>-</u>	<u>(59,127)</u>
Total Expenses	<u>126,020</u>	<u>660,360</u>	<u>860,360</u>	<u>734,340</u>
<b>REVENUE OVER (UNDER) EXPENDITURES - GAAP BASIS</b>	<u>\$ 348,849</u>	<u>\$ 414,324</u>	<u>\$ 214,324</u>	<u>\$ (1,334,155)</u>

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
WELL AUGMENTATION SUBDISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – WATER ENTERPRISE FUND  
YEAR ENDED DECEMBER 31, 2022**

	Actual	Original and Final Budget	Variance
<b>REVENUE</b>			
Water Assessments	\$ -	\$ 53,350	\$ (53,350)
Investment Income	4,099	500	3,599
Total Revenue	4,099	53,850	(49,751)
 <b>EXPENDITURES</b>			
Operating Expenses:			
Personnel	-	-	-
Maintenance	-	-	-
Debt Service	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Perspective Differences:			
Proceeds from Debt	-	-	-
Principal Payments on Debt	-	-	-
Depreciation Expense	-	-	-
Capital Outlay	-	-	-
Total Perspective Differences	-	-	-
Total Expenses	-	-	-
 <b>REVENUE OVER (UNDER) EXPENDITURES - GAAP BASIS</b>	<b>\$ 4,099</b>	<b>\$ 53,850</b>	<b>\$ (49,751)</b>

**CENTRAL COLORADO WATER CONSERVANCY DISTRICT  
GROUND WATER MANAGEMENT SUBDISTRICT  
SCHEDULE OF REVENUE AND EXPENDITURES  
COMPARED WITH BUDGET – WATER ENTERPRISE FUND  
YEAR ENDED DECEMBER 31, 2022**

	Actual	Original and Final Budget	Variance
<b>REVENUE</b>			
Water Assessments	\$ 1,790,974	\$ 1,775,000	\$ 15,974
Water Revenue	177,239	-	177,239
Property Taxes	147,719	147,548	171
Investment Income	35,784	650	35,134
Miscellaneous	463,938	35,000	428,938
Rock Royalties	-	350,000	(350,000)
Proceeds of Debt	-	2,414,566	(2,414,566)
Total Revenue	2,615,654	4,722,764	(2,107,110)
<b>EXPENDITURES</b>			
Operating Expenses:			
Water Purchases and Engineering	2,556,599	2,507,597	(49,002)
Debt Service	49,045	-	(49,045)
Capital Outlay	374,564	3,464,566	3,090,002
Total Expenditures	2,980,208	5,972,163	2,991,955
Perspective Differences:			
Depreciation Expense	65,579	-	(65,579)
Capital Outlay	(374,564)	-	374,564
Total Perspective Differences	(308,985)	-	308,985
Total Expenses	2,671,223	5,972,163	3,300,940
<b>REVENUE OVER (UNDER) EXPENDITURES - GAAP BASIS</b>	<b>\$ (55,569)</b>	<b>\$ (1,249,399)</b>	<b>\$ 1,193,830</b>





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