

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022



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**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
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YEAR ENDED DECEMBER 31, 2022**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Well Augmentation Subdistrict of the
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 Well Augmentation Subdistrict of the Central Colorado Water Conservancy District (the Subdistrict), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Subdistrict'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 Subdistrict, 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 Subdistrict 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 Subdistrict 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.

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 Subdistrict'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 Subdistrict'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 Subdistrict'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

**WELL AUGMENTATION SUBDISTRICT OF
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 Well Augmentation Subdistrict of the Central Colorado Water Conservancy District (the Subdistrict) 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 Subdistrict's financial performance.

FINANCIAL HIGHLIGHTS

- The Subdistrict's assets and deferred outflows exceeded liabilities and deferred inflows by \$16.4 million at December 31, 2022.
- The General Fund balance was \$5,533,328 as of December 31, 2022. Of this amount, \$106,613 is restricted for emergencies.
- The December 31, 2022, General Fund balance is \$475,821 less than the previous year-end. The total fund balance is 227% of 2022 General Fund operating expenditures.
- At December 31, 2022, Debt Service Fund balance was \$5,571,082.
- The Water Enterprise Fund total net position was \$294,464 at December 31, 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Subdistrict'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 Subdistrict's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the Subdistrict'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 Subdistrict'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 Subdistrict, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Subdistrict can be divided into two categories: governmental funds and proprietary funds.

**WELL AUGMENTATION SUBDISTRICT OF
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 Subdistrict 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 12 to 15 of this report.

Proprietary Funds. The Subdistrict 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 subdistrict 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 Subdistrict.

The basic proprietary fund financial statements can be found on pages 16 to 18 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 19 through 49 of this report.

Budgetary Comparisons. The Subdistrict adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund on page 54 of this report.

**WELL AUGMENTATION SUBDISTRICT OF
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 and deferred outflows exceeded liabilities and deferred inflows by \$16,414,372.

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

	2022		2021	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
ASSETS				
Current and Other Assets	\$ 14,208,328	\$ 294,464	\$ 17,367,400	\$ 290,365
Capital Assets	24,968,821	-	24,667,445	-
Total Assets	39,177,149	294,464	42,034,845	290,365
DEFERRED OUTFLOWS				
Pensions/OPEB	71,433	-	123,685	-
LIABILITIES				
Current and Other Liabilities	282,455	-	338,683	-
Long-Term Liabilities	19,671,180	-	23,915,426	-
Total Liabilities	19,953,635	-	24,254,109	-
DEFERRED INFLOWS				
Property Taxes	2,849,524	-	2,131,865	-
Pensions/OPEB	325,515	-	247,687	-
Total Deferred Inflows	3,175,039	-	2,379,552	-
NET POSITION				
Net Investment in Capital Assets	8,238,883	-	3,863,488	-
Restricted	5,510,049	-	8,910,270	-
Unrestricted	2,370,976	294,464	2,751,111	290,365
Total Net Position	<u>\$ 16,119,908</u>	<u>\$ 294,464</u>	<u>\$ 15,524,869</u>	<u>\$ 290,365</u>

A portion of The Subdistrict's net position represents unrestricted net position of \$2,665,440 which may be used to meet the Subdistrict's ongoing obligations to citizens and creditors.

Another significant portion of the Subdistrict'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 Subdistrict utility systems and water projects.

An additional \$5,510,049 of the Subdistrict'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 restricted for debt service balances.

**WELL AUGMENTATION SUBDISTRICT OF
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
REVENUES				
Program Revenues:				
Charges for Services	\$ 1,126,415	\$ -	\$ 1,387,423	\$ 53,850
Operating Grants and Contributions	-	-	24,334	-
General Revenues:				
Property Taxes	2,263,319	-	3,034,915	-
Investment Earnings	164,024	4,099	2,238	34
Total Revenues	<u>3,553,758</u>	<u>4,099</u>	<u>4,448,910</u>	<u>53,884</u>
EXPENSES				
General Government	1,955,967	-	2,083,029	-
Depreciation	434,596	-	357,991	-
Loss on Sale of Assets	-	-	-	-
Interest on Long-Term Debt	568,156	-	507,981	-
Total Expenses	<u>2,958,719</u>	<u>-</u>	<u>2,949,001</u>	<u>-</u>
INCREASE (DECREASE) IN NET POSITION	<u>\$ 595,039</u>	<u>\$ 4,099</u>	<u>\$ 1,499,909</u>	<u>\$ 53,884</u>

Governmental Activities. Government activities increased the Subdistrict's net position by \$595,039 in 2022. Key elements of this increase are as follows:

- Total revenues decreased approximately 21% primarily due to lower property taxes.
- Expenses increased approximately 0.1% from the previous year.

Business-Type Activities. Business-type activities (i.e., water) increased the Subdistrict's net position by \$4,099 in 2022. This was primarily due to investment earnings.

FINANCIAL ANALYSIS OF THE SUBDISTRICT'S FUNDS

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

As of December 31, 2022, the total fund balances of the Subdistrict's governmental funds were \$11.1 million. \$5,282,565, or 48%, of this total consists of assigned fund balance for subsequent year budget. The remainder of fund balance is nonspendable (\$143,850) or restricted to indicate that it is not available for new spending because it is for the following purposes: a state-constitution mandated emergency reserve (\$106,613), debt service purposes (\$5,571,082), and capital outlay (\$2,912,883).

The Subdistrict has two major governmental funds:

1. **General Fund.** This is the primary operating fund of the Subdistrict. It accounts for the Subdistrict's core governmental services. The General Fund balance was \$5,533,328 as of December 31, 2022. The 2022 fund balance is \$475,821 less than the previous year.

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

2. **Debt Service Fund.** The Debt Service Fund accounts for the repayment of the Subdistrict's debt. The fund balance at December 31, 2022, was \$5,571,082.

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

1. **Water Fund.** The Water Fund accounts for service charges and expenses of operating the Subdistrict's water enterprise. The Water Fund net position at December 31, 2022, is \$294,464. Net position increased by \$4,099 during the year due to investment earnings.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

	Final Budget	Actual
FUND BALANCE - BEGINNING OF YEAR	\$ 6,693,838	\$ 6,009,149
REVENUE AND FINANCING SOURCES	2,602,492	1,963,501
EXPENDITURES	(8,498,637)	(2,439,322)
FUND BALANCE - END OF YEAR	\$ 797,693	\$ 5,533,328

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Subdistrict's investment in capital assets for its governmental and business type activities as of December 31, 2022, totals approximately \$25.0 million (net of accumulated depreciation). This investment includes all land, water rights, buildings, and equipment and water projects. The total net increase in investment in capital assets for the current year was \$301,376 or 1%, due primarily to the adoption of GASB Statement No. 87, *Leases* (see Note 1).

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

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

Long-term Debt. At December 31, 2022, the Subdistrict had approximately \$18.9 million of water loans and bonds payable, funded by assessments and property taxes.

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

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Well Augmentation Subdistrict finances for all those with an interest in the Subdistrict's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Subdistrict, 3209 W. 28th Street, Greeley, Colorado 80634.

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

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 6,944,227	\$ 294,464	\$ 7,238,691
Receivables:			
Property Taxes	2,849,524	-	2,849,524
Due from Other Districts	44,656		
Prepaid Items	247,104	-	247,104
Capital Assets, Not Being Depreciated	9,968,374	-	9,968,374
Capital Assets, Net of Accumulated Depreciation	15,000,447	-	15,000,447
Cash and Investments - Restricted	4,086,486	-	4,086,486
Net Pension Asset	36,331	-	36,331
Total Assets	39,177,149	294,464	39,426,957
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pension	63,795	-	63,795
Related to Other Postemployment Benefits	7,638	-	7,638
Total Deferred Outflows of Resources	71,433	-	71,433
LIABILITIES			
Accounts Payable	114,809	-	114,809
Accrued Interest Payable	167,646	-	167,646
Long-Term Debt:			
Net OPEB Liability	28,405	-	28,405
Due Within One Year	711,093	-	711,093
Due in More than One Year	18,931,682	-	18,931,682
Total Liabilities	19,953,635	-	19,953,635
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue Property Taxes	2,849,524	-	2,849,524
Related to Pension	314,877	-	314,877
Related to Other Postemployment Benefits	10,638	-	10,638
Total Deferred Inflows of Resources	3,175,039	-	3,175,039
NET POSITION			
Net Investment in Capital Assets	8,238,883	-	8,238,883
Restricted for:			
TABOR	106,613	-	106,613
Debt Service	5,403,436	-	5,403,436
Unrestricted	2,370,976	294,464	2,665,440
Total Net Position	\$ 16,119,908	\$ 294,464	\$ 16,414,372

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
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	\$ 2,390,563	\$ 1,126,415	\$ -	\$ -
Interest on Long-Term Debt	568,156	-	-	-
Total Governmental Activities	2,958,719	1,126,415	-	-
Business-Type Activities:				
Water Enterprise Fund	-	-	-	-
Total	\$ 2,958,719	\$ 1,126,415	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
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
FUNCTIONS/PROGRAMS			
Governmental Activities:			
General Government	\$ (1,264,148)	\$ -	\$ (1,264,148)
Interest on Long-Term Debt	(568,156)	-	(568,156)
Total Governmental Activities	<u>(1,832,304)</u>	-	<u>(1,832,304)</u>
Business-Type Activities:			
Water Enterprise Fund	-	-	-
Total	(1,832,304)	-	(1,832,304)
GENERAL REVENUE			
Property Taxes	2,263,319	-	2,263,319
Investment Earnings	164,024	4,099	168,123
Net Loss on Sale of Capital Assets	-	-	-
Total General Revenue	<u>2,427,343</u>	<u>4,099</u>	<u>2,431,442</u>
CHANGE IN NET POSITION	595,039	4,099	599,138
Net Position - Beginning of Year	<u>15,524,869</u>	<u>290,365</u>	<u>15,815,234</u>
NET POSITION - END OF YEAR	<u>\$ 16,119,908</u>	<u>\$ 294,464</u>	<u>\$ 16,414,372</u>

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Investments	\$ 2,528,286	\$ 4,415,941	\$ 6,944,227
Cash and Investments - Restricted	2,912,883	1,173,603	4,086,486
Property Taxes Receivable	791,535	2,057,989	2,849,524
Due from Other Districts	44,656	-	44,656
Due from Other Funds	18,462	-	18,462
Prepaid Items	143,850	-	143,850
	<u>143,850</u>	<u>-</u>	<u>143,850</u>
Total Assets	<u>\$ 6,439,672</u>	<u>\$ 7,647,533</u>	<u>\$ 14,087,205</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 114,809	\$ -	\$ 114,809
Due to Other Funds	-	18,462	18,462
Total Liabilities	<u>114,809</u>	<u>18,462</u>	<u>133,271</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue Property Taxes	791,535	2,057,989	2,849,524
FUND BALANCES			
Nonspendable	143,850	-	143,850
Restricted for:			
TABOR Emergencies	106,613	-	106,613
Debt Service	-	5,571,082	5,571,082
Capital Outlay	2,912,883	-	2,912,883
Assigned for Subsequent Year Budget	2,369,982	-	2,369,982
Total Fund Balances	<u>5,533,328</u>	<u>5,571,082</u>	<u>11,104,410</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,439,672</u>	<u>\$ 7,647,533</u>	<u>\$ 14,087,205</u>

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
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		\$ 11,104,410
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.		24,968,821
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 Liability	36,331	
Deferred Outflows of Resources Related to Pensions	63,795	
Deferred Inflows of Resources Related to Pensions	<u>(314,877)</u>	(214,751)
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	(28,405)	
Deferred Outflows of Resources Related to OPEB	7,638	
Deferred Inflows of Resources Related to OPEB	<u>(10,638)</u>	(31,405)
Accrued interest payable is not included in the funds.		(167,646)
Long-term liabilities are not reported in governmental funds		
Bonds and Loans Payable	(19,315,182)	
Bond Premium	<u>(327,593)</u>	<u>(19,642,775)</u>
Net Position of Governmental Activities		<u>\$ 16,119,908</u>

See accompanying Notes to Basic Financial Statements.

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

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUE			
Taxes	\$ 728,715	\$ 1,534,604	\$ 2,263,319
Interest Income	81,908	82,116	164,024
Water Assessments	1,047,000	-	1,047,000
Miscellaneous	75,878	3,537	79,415
Total Revenue	<u>1,933,501</u>	<u>1,620,257</u>	<u>3,553,758</u>
EXPENDITURES			
Operating Expenditures	2,049,353	23,589	2,072,942
Debt Service:			
Principal	32,092	4,427,869	4,459,961
Interest	10,288	623,190	633,478
Issuance Costs	30,000	-	30,000
Capital Outlay	317,589	-	317,589
Total Expenditures	<u>2,439,322</u>	<u>5,074,648</u>	<u>7,513,970</u>
REVENUE OVER (UNDER) EXPENDITURES	(505,821)	(3,454,391)	(3,960,212)
OTHER FINANCING SOURCES (USES)			
Loan Proceeds	30,000	-	30,000
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>-</u>	<u>30,000</u>
REVENUE OVER (UNDER) EXPENDITURES	(475,821)	(3,454,391)	(3,930,212)
Fund Balances - Beginning of Year	<u>6,009,149</u>	<u>9,025,473</u>	<u>15,034,622</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,533,328</u>	<u>\$ 5,571,082</u>	<u>\$ 11,104,410</u>

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
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 \$ (3,930,212)

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.

Capital outlay	307,747	
Depreciation Expense	<u>(434,596)</u>	(126,849)

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.

Issuance of long-term debt	(30,000)	
Principal payments	<u>4,459,960</u>	4,429,960

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

Change in accrued interest payable	80,297	
Amortization of bond insurance	(6,915)	
Amortization of bond premium	21,940	
Pension expense	124,335	
OPEB expense	<u>2,483</u>	<u>222,140</u>

Change in Net Position of Governmental Activities		<u>\$ 595,039</u>
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See accompanying Notes to Basic Financial Statements.

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

	Water Enterprise Fund
ASSETS	
Current Assets:	
Cash and Investments	\$ 294,464
Total Current Assets	294,464
Total Assets	294,464
NET POSITION	
Unrestricted	\$ 294,464
Total Net Position	\$ 294,464

See accompanying Notes to Basic Financial Statements.

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

	<u>Water Enterprise Fund</u>
OPERATING REVENUE	
Assessments	<u>\$ -</u>
OPERATING INCOME	-
NONOPERATING REVENUE	
Investment Earnings	4,099
Nonoperating Revenue	<u>4,099</u>
CHANGE IN NET POSITION	4,099
Fund Net Position - Beginning of Year	<u>290,365</u>
FUND NET POSITION - END OF YEAR	<u><u>\$ 294,464</u></u>

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
STATEMENT OF CASH FLOWS – ENTERPRISE FUND
YEAR ENDED DECEMBER 31, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Receipts from Customers	\$ -
Cash Provided by Operating Activities	<u>-</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and Dividends Received	4,099
Cash Provided by Investing Activities	<u>4,099</u>

**INCREASE IN CASH AND CASH
EQUIVALENTS**

4,099

Cash and Cash Equivalents - Beginning of Year

290,365

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 294,464

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
PROVIDED BY OPERATING ACTIVITIES**

Operating Income	\$ -
Net Cash Provided by Operating Activities	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the Well Augmentation Subdistrict (the Subdistrict) 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 January 8, 2004, 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 subdistrict of Central Colorado Water Conservancy District (CCWCD) to be known as the Well Augmentation Subdistrict of Central Colorado Water Conservancy District (the Subdistrict). In addition to providing for the conservation of the water resources of the state of Colorado for the greatest beneficial use of water within the state, the Subdistrict has developed a plan of augmentation which will replace the depletion of the river caused by underground water users in the South Platte River basin.

Scope of Reporting Entity

The financial statements of the Subdistrict 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

For financial reporting purposes, management has considered all potential component units in defining the Subdistrict. The basic criterion for including a potential component unit is the Subdistrict's ability to exercise significant operational control or financial accountability with the Subdistrict. Financial relationship or operational control is determined on the basis of the Subdistrict'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.

In 2019, the Subdistrict adopted Statement 90 of the Governmental Accounting Standards Board, Majority Equity Interests. The Subdistrict is a blended component unit of the CCWCD, and is included in the basic financial statements of CCWCD because CCWCD's Board of Directors is substantially the same as the Subdistrict's, and the Subdistrict provides specific financial benefits to CCWCD. Only the accounts of the Subdistrict are included herein; therefore, these financial statements do not purport to represent the position or results of operation of CCWCD. The financial date of the Subdistrict is included in the annual report of CCWCD.

**WELL AUGMENTATION SUBDISTRICT OF
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

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 Subdistrict. 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 Subdistrict reports the following major governmental funds:

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

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

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 Subdistrict reports the following major proprietary fund:

The Water Enterprise Fund accounts for user charges and the expenses for operating, financing, and maintaining the Subdistrict's water enterprise system.

**WELL AUGMENTATION SUBDISTRICT OF
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)

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.

When both restricted and unrestricted resources are available for use, it is the Subdistrict'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 Subdistrict 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, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

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 Subdistrict.

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.

The Subdistrict adopted the requirements of the guidance effective January 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption.

Cash Equivalents

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

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 Subdistrict 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.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

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.

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 Subdistrict has one item that qualifies 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.

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 Subdistrict 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

Employees of the Subdistrict are entitled to paid vacation time depending on length of service. Accrued compensated absences of employees are recorded by the Central Colorado Water Conservancy District.

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.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets (Continued)

The Subdistrict'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.

Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide financial statements. Bond premiums 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 Subdistrict 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 Subdistrict'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 Subdistrict'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 Subdistrict will exercise that option.

The Subdistrict 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.

**WELL AUGMENTATION SUBDISTRICT OF
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

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 Subdistrict, which is not restricted for any project or other purpose. A deficit will require future funding.

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 Subdistrict. 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 amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned balance in that fund.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

The Well Augmentation Subdistrict 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.

Other Postemployment Benefits (OPEB)

The Well Augmentation Subdistrict 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	\$	225,831
Investments		11,099,345
Total Cash and Investments	<u>\$</u>	<u>11,325,176</u>
Cash and Investments	\$	7,238,690
Cash and Investments - Restricted		4,086,486
Total Cash and Investments	<u>\$</u>	<u>11,325,176</u>

The Subdistrict's bank balance at year-end of \$225,831 was entirely covered by federal depository insurance and there were no uninsured balances covered by collateral held by the custodial bank under provisions of the Colorado Public Deposit Protection Act.

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.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

State statutes authorize the Subdistrict 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.

Credit Risk

The Subdistrict 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 Subdistrict had invested \$11,099,345 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 Subdistrict's interest is valued at NAV.

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. The Subdistrict 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 Subdistrict has interest rate risk related to its investments in COLOTRUST. At December 31, 2022, COLOTRUST Plus had a weighted average maturity of 60 days or less. COLOTRUST does not have any unfunded commitments, redemption restrictions or redemption notice periods.

Concentration of Credit Risk

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

Restricted Cash and Investments

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

General Fund - Colostrust	\$	2,912,883
Debt Service Reserve - CWCB Loans		1,173,603

**WELL AUGMENTATION SUBDISTRICT OF
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
Capital Assets, Not Being Depreciated:				
Land	\$ 1,007,816	\$ -	\$ -	\$ 1,007,816
Water Rights	8,198,141	-	-	8,198,141
Right-to-Use Lease Asset - Land	428,225	-	-	428,225
Perpetual Easement	16,927	-	-	16,927
Construction in Progress	238,759	84,301	(5,795)	317,265
Total Capital Assets, Not Being Depreciated	9,889,868	84,301	(5,795)	9,968,374
Capital Assets, Being Depreciated:				
Water Projects	18,326,224	45,931	5,795	18,377,950
Office Building	60,234	99	-	60,333
Office Equipment	2,568	1,800	-	4,368
Computer Software	12,095	34,599	-	46,694
Equipment	640,998	72,292	-	713,290
Vehicles	117,130	68,725	-	185,855
Total Capital Assets, Being Depreciated	19,159,249	223,446	5,795	19,388,490
Accumulated Depreciation:				
Water Projects	(3,545,773)	(358,955)	-	(3,904,728)
Office Building	(13,999)	(3,139)	-	(17,138)
Office Equipment	(2,568)	(150)	-	(2,718)
Computer Software	(605)	(3,066)	-	(3,671)
Equipment	(328,638)	(46,294)	-	(374,932)
Vehicles	(61,864)	(22,992)	-	(84,856)
Total Accumulated Depreciation	(3,953,447)	(434,596)	-	(4,388,043)
Capital Assets, Net	\$ 25,095,670	\$ (126,849)	\$ -	\$ 24,968,821

The 2022 depreciation expense of \$434,596 has been allocated to general government on the statement of activities.

As a result of the implementation of GASB Statement No. 87 (GASB 87), Leases, \$428,225 in 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 Subdistrict does not report a restatement of beginning net position for the implementation of GASB 87.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO

Plan Description

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

Benefits Provided

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

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.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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

Benefits Provided (Continued)

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.

Contributions

Contributions provisions as of December 31, 2022: Eligible employees and the Subdistrict 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:

	January 1, 2022 Through December 31, 2022
Employer Contribution Rate as a Percentage of Salary	
Amount of Employer Contribution Apportioned to the Health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f)	10.50%
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).

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

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Subdistrict is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Subdistrict were \$44,769 for the year ended December 31, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2022, the Subdistrict reported an asset of \$36,331 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 Subdistricts proportion was .04%, which was approximately the same as of December 31, 2020.

For the year ended December 31, 2022, the Subdistrict recognized pension expense of (\$79,566). At December 31, 2022, the Subdistrict reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,776	\$ 607
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	314,270
Changes in Assumptions	12,316	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	4,934	-
Contributions Subsequent to the Measurement Date	44,769	-
Total	\$ 63,795	\$ 314,877

Deferred outflows of resources related to pensions of \$44,769, 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.

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

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	\$ (63,119)
2024	(118,771)
2025	(75,827)
2026	(38,134)
Total	<u>\$ (295,851)</u>

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

¹ 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.

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.

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

Actuarial Assumptions (Continued)

Postretirement nondisabled mortality assumptions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

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.

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.

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NOTE 4 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO (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:

<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.

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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.

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

Sensitivity of the Subdistrict's 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)	\$ 249,106	\$ (36,331)	\$ (275,087)

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.

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.

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.

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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 Subdistrict were \$3,465 for the year ended December 31, 2022.

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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 Subdistrict reported a liability of \$28,405 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 Subdistrict's proportion of the net OPEB liability was based on the Subdistrict 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 Subdistrict proportion was .003%, which was approximately the same as its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Subdistrict recognized OPEB expense of \$982. At December 31, 2022, the Subdistrict 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	\$ 43	\$ 6,735
Changes of Assumptions or other Inputs	588	1,541
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	1,758
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share Share of Contributions	3,542	604
Contributions Subsequent to the Measurement Date	3,465	-
Total	\$ 7,638	\$ 10,638

Deferred outflows of resources related to OPEB of \$3,465, 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	\$ (1,499)
2024	(1,919)
2025	(2,258)
2026	(745)
2027	(42)
Thereafter	(2)
	\$ (6,465)

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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.

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.

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NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	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.

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:

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NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

- 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.

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>	

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NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

Sensitivity of 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:

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
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	\$ 27,590	\$ 28,405	\$ 29,350

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%.
- 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.

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NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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 Subdistrict 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	\$ 32,990	\$ 28,405	\$ 24,489

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.

NOTE 6 LONG-TERM DEBT

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

Description	Balance December 31,			Balance December 31,	
	2021, Restated	Additions	Retirements	2022	Due Within One Year
2010 CWCB Loan	\$ 10,688,046	\$ -	\$ 446,339	\$ 10,241,707	\$ 457,498
2015 CWCB - Construction Loan	1,478,055	-	1,478,055	-	-
2018 CWCB (Shores)	2,305,816	-	2,305,816	-	-
2019 CWCB (Walker)	3,000,000	30,000	77,658	2,952,342	79,017
2020 Bond Issue	5,845,000	-	120,000	5,725,000	125,000
2020 Bond Issue - Premium	349,533	-	21,940	327,593	21,435
Leases Payable - WAS	428,225	-	32,092	396,133	28,143
Total	<u>\$ 24,094,675</u>	<u>\$ 30,000</u>	<u>\$ 4,481,900</u>	<u>\$ 19,642,775</u>	<u>\$ 711,093</u>

As a result of the implementation of GASB Statement No. 87 (GASB 87), Leases, \$428,225 in leases payable has been added to the beginning balance presented above. As these leases payable are offset by an equal amount of right-to-use lease assets, the Subdistrict does not report a restatement of beginning net position for the implementation of GASB 87.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 LONG-TERM DEBT (CONTINUED)

In 2010, the Subdistrict 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, the Subdistrict obtained a loan from the CWCB. At December 31, 2021, the outstanding balance was \$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, the Subdistrict 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, the Subdistrict 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, the Subdistrict 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.

The annual requirements to amortize these loans as of December 31, 2022, are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 661,515	\$ 511,259	\$ 1,172,774
2024	679,335	493,438	1,172,773
2025	697,466	475,108	1,172,574
2026	715,914	456,260	1,172,174
2027	734,687	436,886	1,171,573
2028-2032	3,981,999	1,874,270	5,856,269
2033-2037	4,559,966	1,299,303	5,859,269
2038-2042	3,773,659	655,828	4,429,487
2043-2047	1,988,868	297,748	2,286,616
2048-2052	1,125,640	50,293	1,175,933
Total	<u>\$ 18,919,049</u>	<u>\$ 6,550,393</u>	<u>\$ 25,469,442</u>

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 LONG-TERM DEBT (CONTINUED)

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.

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	\$ 28,143	\$ 10,357	\$ 38,500
2024	20,724	9,776	30,500
2025	21,322	9,178	30,500
2026	20,222	8,603	28,825
2027	16,836	6,739	23,575
2028 - 2032	73,334	34,206	107,540
2033 - 2037	39,043	27,157	66,200
2038 - 2042	38,696	21,564	60,260
2043 - 2047	18,532	17,968	36,500
2048 - 2052	21,217	15,283	36,500
2053 - 2057	24,311	12,189	36,500
2058 - 2062	27,844	8,656	36,500
2063 - 2067	31,891	4,609	36,500
2068 - 2069	14,018	582	14,600
Total	<u>\$ 396,133</u>	<u>\$ 186,867</u>	<u>\$ 583,000</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 Subdistrict has the following interfund receivables and payables:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund - WAS	\$ 18,462	\$ -
Debt Service Fund - WAS	-	18,462
Total	<u>\$ 18,462</u>	<u>\$ 18,462</u>

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 RISK MANAGEMENT

The Subdistrict 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 Subdistrict 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 Subdistrict enterprise activities.

On November 4, 2005, the voting electors of the Subdistrict authorized the Subdistrict 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 Subdistrict 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.

The Subdistrict has approximately \$11 million of authorized but unissued debt.

NOTE 10 RELATED PARTY TRANSACTIONS

The Subdistrict and the Ground Water Management Subdistrict of Central Colorado Water Conservancy District are both blended component units of Central Colorado Water Conservancy District. The three entities share office space, operating expenses and personnel. During 2022, the Subdistrict paid Central Colorado Water Conservancy District \$419,074 for salary and benefits of shared staff. In addition, for certain transactions the District will initially pay the vendor and the Subdistrict will then reimburse the District. At December 31, 2022, the Central Colorado Water Conservancy District owed the Subdistrict \$44,656.

REQUIRED SUPPLEMENTARY INFORMATION

**WELL AUGMENTATION SUBDISTRICT OF
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	\$ 44,769	\$ 41,557	\$ 35,178	\$ 35,738	\$ 36,724	\$ 34,872	\$ 27,306	\$ 24,379	\$ 24,967	\$ 16,796
Contributions in Relation to the Contractually Required Contribution	44,769	41,557	35,178	35,738	36,724	34,872	27,306	24,379	24,967	24,967
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 339,673	\$ 315,305	\$ 275,380	\$ 281,401	\$ 291,229	\$ 252,828	\$ 206,509	\$ 189,642	\$ 194,747	\$ 133,938
Contributions as a Percentage of Covered Payroll	13.2%	13.2%	12.8%	12.7%	12.6%	13.8%	13.2%	12.9%	12.8%	12.5%

**WELL AUGMENTATION SUBDISTRICT OF
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	\$ 3,465	\$ 3,216	\$ 2,775	\$ 2,874	\$ 2,974	\$ 2,640
Contributions in Relation to the Statutorily Required Contribution	3,465	3,216	2,775	2,874	2,974	2,640
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 339,673	\$ 315,305	\$ 275,380	\$ 281,401	\$ 291,229	\$ 252,828
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.01%	1.02%	1.02%	1.04%

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

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
SCHEDULE OF THE SUBDISTRICT'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	0.042374867%	0.041938839%	0.039847904%	0.040504815%	0.037438391%	0.036655711%	0.034208318%	0.034264400%	0.034112066%
(Entity)'s Proportionate Share of the Net Pension Liability	\$ (36,331)	\$ 218,555	\$ 291,444	\$ 521,188	\$ 456,947	\$ 543,382	\$ 375,953	\$ 279,029	\$ 233,500
(Entity)'s Covered Payroll	315,305	275,380	281,401	291,229	252,828	206,509	189,642	194,747	133,938
(Entity)'s Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	(11.5%)	79.4%	103.6%	179.0%	180.7%	263.1%	198.2%	143.3%	174.3%
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 Subdistrict will present information for those years for which information is available.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
SCHEDULE OF THE SUBDISTRICT'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	0.0032940923%	0.0032014406%	0.0030518767%	0.0031411531%	0.0029091387%
(Entity)'s Proportionate Share of the Collective Net OPEB Liability	\$ 28,405	\$ 30,421	\$ 34,303	\$ 43,740	\$ 41,447
Covered payroll	\$ 315,305	\$ 275,380	\$ 281,401	\$ 291,229	\$ 252,828
(Entity)'s Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	9.01%	11.05%	12.19%	15.02%	16.39%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39.40%	32.78%	24.49%	17.03%	17.53%

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

**WELL AUGMENTATION SUBDISTRICT OF
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
REVENUE			
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 Grants	-	25,000	(25,000)
Total Revenue	<u>1,933,501</u>	<u>1,817,230</u>	<u>116,271</u>
EXPENDITURES			
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 Leases	760,122	1,111,370	351,248
Utilities	11,136	-	(11,136)
Other	216,499	1,403,000	1,186,501
Debt Service:			
Principal	32,092	-	(32,092)
Interest	10,288	-	(10,288)
Debt Issuance Costs	30,000	-	(30,000)
Total Operating Expenditures	<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>
REVENUE OVER (UNDER) EXPENDITURES	(505,821)	(6,681,407)	6,175,586
OTHER FINANCING SOURCES (USES)			
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>
CHANGE IN FUND BALANCE	(475,821)	(5,896,145)	5,420,324
Fund Balances - Beginning of Year	<u>6,009,149</u>	<u>6,693,838</u>	<u>(684,689)</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,533,328</u>	<u>\$ 797,693</u>	<u>\$ 4,735,635</u>

OTHER SUPPLEMENTARY INFORMATION

**WELL AUGMENTATION SUBDISTRICT OF
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
REVENUE				
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>
EXPENDITURES				
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>
CHANGE IN FUND BALANCE	(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>
FUND BALANCES - END OF YEAR	<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>

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



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