

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

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023



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CENTRAL COLORADO WATER CONSERVANCY DISTRICT
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YEAR ENDED DECEMBER 31, 2023**

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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, a component unit of the Central Colorado Water Conservancy District (the Subdistrict), as of and for the year ended December 31, 2023, 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, 2023, 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.

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, noted as Other Supplementary Information in the Table of Contents, 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 29, 2024

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023**

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, 2023. 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 \$18.4 million at December 31, 2023.
- The General Fund balance was \$5,842,344 as of December 31, 2023. Of this amount, \$159,802 is restricted for emergencies.
- The December 31, 2023, General Fund balance is \$309,016 more than the previous year-end. The total fund balance is 247% of 2023 General Fund operating expenditures.
- At December 31, 2023, Debt Service Fund balance was \$6,671,954.
- The Water Enterprise Fund total net position was \$309,151 at December 31, 2023.

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, 2023**

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 55 of this report.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023**

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, 2023, assets and deferred outflows exceeded liabilities and deferred inflows by \$18,367,770.

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

	2023		2022	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
ASSETS				
Current and Other Assets	\$ 17,545,510	\$ 309,151	\$ 14,208,328	\$ 294,464
Capital Assets	24,893,247	-	24,968,821	-
Total Assets	<u>42,438,757</u>	<u>309,151</u>	<u>39,177,149</u>	<u>294,464</u>
DEFERRED OUTFLOWS				
Pensions/OPEB	244,546	-	71,433	-
LIABILITIES				
Current and Other Liabilities	519,105	-	282,455	-
Long-Term Liabilities	19,516,920	-	19,671,180	-
Total Liabilities	<u>20,036,025</u>	<u>-</u>	<u>19,953,635</u>	<u>-</u>
DEFERRED INFLOWS				
Property Taxes	4,576,119	-	2,849,524	-
Pensions/OPEB	12,540	-	325,515	-
Total Deferred Inflows	<u>4,588,659</u>	<u>-</u>	<u>3,175,039</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	8,859,404	-	8,238,883	-
Restricted	6,671,246	-	5,510,049	-
Unrestricted	<u>2,527,969</u>	<u>309,151</u>	<u>2,370,976</u>	<u>294,464</u>
Total Net Position	<u>\$ 18,058,619</u>	<u>\$ 309,151</u>	<u>\$ 16,119,908</u>	<u>\$ 294,464</u>

A portion of The Subdistrict's net position represents unrestricted net position of \$2,837,120 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 \$6,671,246 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, 2023**

The following table indicates the changes in net position:

	2023		2022	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
REVENUES				
Program Revenues:				
Charges for Services	\$ 1,827,078	\$ -	\$ 1,126,415	\$ -
Operating Grants and Contributions	-	-	-	-
General Revenues:				
Property Taxes	2,904,246	-	2,263,319	-
Investment Earnings	598,940	14,687	164,024	4,099
Loss on Sale of Assets	(25,065)	-	-	-
Total Revenues	<u>5,305,199</u>	<u>14,687</u>	<u>3,553,758</u>	<u>4,099</u>
EXPENSES				
General Government	2,376,447	-	1,955,967	-
Depreciation/Amortization	485,649	-	434,596	-
Interest on Long-Term Debt	504,392	-	568,156	-
Total Expenses	<u>3,366,488</u>	<u>-</u>	<u>2,958,719</u>	<u>-</u>
INCREASE (DECREASE) IN NET POSITION	<u>\$ 1,938,711</u>	<u>\$ 14,687</u>	<u>\$ 595,039</u>	<u>\$ 4,099</u>

Governmental Activities. Government activities increased the Subdistrict's net position by \$1,938,711 in 2023. Key elements of this increase are as follows:

- Total revenues increased approximately 50% primarily due to higher property taxes and charges for services.
- Expenses increased approximately 14.6% from the previous year.

Business-Type Activities. Business-type activities (i.e., water) increased the Subdistrict's net position by \$14,687 in 2023. This was 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, 2023, the total fund balances of the Subdistrict's governmental funds were \$12.5 million. \$2.2 million, or 18%, of this total consists of assigned fund balance for subsequent year budget. The remainder of fund balance is nonspendable (\$425,513) 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 (\$159,802), debt service purposes (\$6,671,954), and capital outlay (\$3,058,173).

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 \$5,842,344 as of December 31, 2023. The 2023 fund balance is \$309,016 more than the previous year.
2. **Debt Service Fund.** The Debt Service Fund accounts for the repayment of the Subdistrict's debt. The fund balance at December 31, 2023, was \$6,671,954.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023**

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, 2023, is \$309,151. Net position increased by \$14,687 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	\$ 5,181,700	\$ 5,533,328
REVENUE AND FINANCING SOURCES	1,985,535	3,107,083
EXPENDITURES	(7,081,626)	(2,798,067)
FUND BALANCE - END OF YEAR	\$ 85,609	\$ 5,842,344

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, 2023, totals approximately \$24.9 million (net of accumulated depreciation and amortization). This investment includes all land, water rights, buildings, equipment, water projects, right-to-use lease assets, and subscription-based information technology arrangements. The total net decrease in investment in capital assets for the current year was \$75,574 or 0.3%, due to asset additions be comparable to current year depreciation/amortization.

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, 2023, the Subdistrict had approximately \$19.1 million of long-term liabilities, primarily consisting 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, 2023**

	Governmental Activities	Business-Type Activities	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Investments	\$ 8,120,823	\$ 309,151	\$ 8,429,974
Receivables:			
Property Taxes	4,576,119	-	4,576,119
Utility Accounts	36,244	-	36,244
Prepaid Items	299,142	-	299,142
Inventory	222,869	-	222,869
Capital Assets, Not Being Depreciated	9,723,391	-	9,723,391
Capital Assets, Net of Depreciation and Amortization	15,169,856	-	15,169,856
Cash and Investments - Restricted	4,290,313	-	4,290,313
Total Assets	<u>42,438,757</u>	<u>309,151</u>	<u>42,747,908</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Related to Pension	234,269	-	234,269
Related to Other Postemployment Benefits	10,277	-	10,277
Total Deferred Outflows of Resources	<u>244,546</u>	<u>-</u>	<u>244,546</u>
 LIABILITIES			
Accounts Payable	57,680	-	57,680
Due to Other Districts	300,915	-	300,915
Accrued Interest Payable	160,510	-	160,510
Long-Term Debt:			
Net Pension Liability	432,275	-	432,275
Net OPEB Liability	28,331	-	28,331
Due Within One Year	740,962	-	740,962
Due in More than One Year	18,315,352	-	18,315,352
Total Liabilities	<u>20,036,025</u>	<u>-</u>	<u>20,036,025</u>
 DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue Property Taxes	4,576,119	-	4,576,119
Related to Pension	2,155	-	2,155
Related to Other Postemployment Benefits	10,385	-	10,385
Total Deferred Inflows of Resources	<u>4,588,659</u>	<u>-</u>	<u>4,588,659</u>
 NET POSITION			
Net Investment in Capital Assets	8,859,404	-	8,859,404
Restricted for:			
TABOR	159,802	-	159,802
Debt Service	6,511,444	-	6,511,444
Unrestricted	<u>2,527,969</u>	<u>309,151</u>	<u>2,837,120</u>
Total Net Position	<u>\$ 18,058,619</u>	<u>\$ 309,151</u>	<u>\$ 18,367,770</u>

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Contributions</u>
FUNCTIONS/PROGRAMS				
Governmental Activities:				
General Government	\$ 2,862,096	\$ 1,827,078	\$ -	\$ -
Interest on Long-Term Debt	504,392	-	-	-
Total Governmental Activities	<u>3,366,488</u>	<u>1,827,078</u>	<u>-</u>	<u>-</u>
Business-Type Activities:				
Water Enterprise Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,366,488</u>	<u>\$ 1,827,078</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS			
Governmental Activities:			
General Government	\$ (1,035,018)	\$ -	\$ (1,035,018)
Interest on Long-Term Debt	(504,392)	-	(504,392)
Total Governmental Activities	(1,539,410)	-	(1,539,410)
Business-Type Activities:			
Water Enterprise Fund	-	-	-
Total	(1,539,410)	-	(1,539,410)
GENERAL REVENUE			
Property Taxes	2,904,246	-	2,904,246
Investment Earnings	598,940	14,687	613,627
Net Loss on Sale of Capital Assets	(25,065)	-	(25,065)
Total General Revenue	3,478,121	14,687	3,492,808
CHANGE IN NET POSITION	1,938,711	14,687	1,953,398
Net Position - Beginning of Year	16,119,908	294,464	16,414,372
NET POSITION - END OF YEAR	\$ 18,058,619	\$ 309,151	\$ 18,367,770

See accompanying Notes to Basic Financial Statements.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 2,681,009	\$ 5,439,814	\$ 8,120,823
Cash and Investments - Restricted	3,058,173	1,232,140	4,290,313
Accounts Receivable	36,244	-	36,244
Property Taxes Receivable	1,271,144	3,304,975	4,576,119
Prepaid Items	202,644	-	202,644
Inventory	222,869	-	222,869
	<u>\$ 7,472,083</u>	<u>\$ 9,976,929</u>	<u>\$ 17,449,012</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 57,680	\$ -	\$ 57,680
Due to Other Districts	300,915	-	300,915
Total Liabilities	<u>358,595</u>	<u>-</u>	<u>358,595</u>
 DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue Property Taxes	1,271,144	3,304,975	4,576,119
 FUND BALANCES			
Nonspendable	425,513	-	425,513
Restricted for:			
TABOR Emergencies	159,802	-	159,802
Debt Service	-	6,671,954	6,671,954
Capital Outlay	3,058,173	-	3,058,173
Assigned for Subsequent Year Budget	2,198,856	-	2,198,856
Total Fund Balances	<u>5,842,344</u>	<u>6,671,954</u>	<u>12,514,298</u>
	<u>\$ 7,472,083</u>	<u>\$ 9,976,929</u>	<u>\$ 17,449,012</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,472,083</u>	<u>\$ 9,976,929</u>	<u>\$ 17,449,012</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, 2023**

Total Fund Balance - Governmental Funds \$ 12,514,298

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. 96,498

Capital assets used in governmental activities are not financial resources and are not reported in the funds. 24,893,247

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	\$ (432,275)	
Deferred Outflows of Resources Related to Pensions	234,269	
Deferred Inflows of Resources Related to Pensions	<u>(2,155)</u>	(200,161)

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	(28,331)	
Deferred Outflows of Resources Related to OPEB	10,277	
Deferred Inflows of Resources Related to OPEB	<u>(10,385)</u>	(28,439)

Accrued interest payable is not included in the funds. (160,510)

Long-term liabilities are not reported in governmental funds

Bonds and Loans Payable	(18,257,534)	
Leases Payable	(474,697)	
Subscriptions Payable	(17,925)	
Bond Premium	<u>(306,158)</u>	<u>(19,056,314)</u>

Net Position of Governmental Activities \$ 18,058,619

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, 2023**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUE			
Taxes	\$ 901,247	\$ 2,002,999	\$ 2,904,246
Interest Income	293,703	305,237	598,940
Water Assessments	1,013,069	-	1,013,069
Miscellaneous	814,009	-	814,009
Total Revenue	<u>3,022,028</u>	<u>2,308,236</u>	<u>5,330,264</u>
EXPENDITURES			
Operating Expenditures	2,362,198	34,590	2,396,788
Debt Service:			
Principal	39,143	658,797	697,940
Interest	12,228	513,977	526,205
Capital Outlay	416,590	-	416,590
Total Expenditures	<u>2,830,159</u>	<u>1,207,364</u>	<u>4,037,523</u>
REVENUE OVER (UNDER) EXPENDITURES	191,869	1,100,872	1,292,741
OTHER FINANCING SOURCES			
Sale of Assets	8,409	-	8,409
Leases	108,738	-	108,738
Total Other Financing Sources	<u>117,147</u>	<u>-</u>	<u>117,147</u>
NET CHANGE IN FUND BALANCES	309,016	1,100,872	1,409,888
Fund Balances - Beginning of Year	<u>5,533,328</u>	<u>5,571,082</u>	<u>11,104,410</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,842,344</u>	<u>\$ 6,671,954</u>	<u>\$ 12,514,298</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, 2023**

Net Change in Fund Balances - Governmental Funds \$ 1,409,888

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/amortization expense.

Capital outlay	\$ 416,655	
Net effect of capital asset disposals	(33,474)	
Depreciation/amortization expense	<u>(485,649)</u>	(102,468)

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.

Leases	(108,738)	
Principal payments	<u>700,658</u>	591,920

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	7,134	
Amortization of bond insurance	(6,756)	
Amortization of bond premium	21,435	
Pension expense	14,591	
OPEB expense	<u>2,967</u>	<u>39,371</u>

Change in Net Position of Governmental Activities		<u><u>\$ 1,938,711</u></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, 2023**

	Water Enterprise Fund
ASSETS	
Current Assets:	
Cash and Investments	\$ 309,151
Total Current Assets	309,151
Total Assets	309,151
NET POSITION	
Unrestricted	309,151
Total Net Position	\$ 309,151

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, 2023**

	<u>Water Enterprise Fund</u>
OPERATING REVENUE	
Assessments	<u>\$ -</u>
OPERATING INCOME	-
NONOPERATING REVENUE	
Investment Earnings	<u>14,687</u>
Nonoperating Revenue	<u>14,687</u>
CHANGE IN NET POSITION	14,687
Fund Net Position - Beginning of Year	<u>294,464</u>
FUND NET POSITION - END OF YEAR	<u><u>\$ 309,151</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, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Receipts from Customers	\$ -
Cash Provided by Operating Activities	-

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and Dividends Received	14,687
Cash Provided by Investing Activities	14,687

**INCREASE IN CASH AND CASH
EQUIVALENTS**

14,687

Cash and Cash Equivalents - Beginning of Year

294,464

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 309,151

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

Operating Income	\$ -
Net Cash Provided by Operating Activities	<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, 2023**

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, 2023**

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, 2023**

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, 2023**

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.

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.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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, 2023.

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, 2023, 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, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory and Prepaid Items

Inventory consists of gravel held for consumption and resale and is recorded at cost. The cost of inventory is recorded as an expenditure when consumed and resold.

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

Adoption of New Accounting Standard

Effective January 1, 2023, the Subdistrict implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. The implementation of this standard did not affect beginning net position. Refer to Note 3 and Note 6 for additional information.

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.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditures) until then. The 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.

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.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

The Subdistrict participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiemployer 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 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, 2023, follows:

Bank Deposits	\$ 277,706
Cash with County Treasurers	10,120
Investments	12,432,461
Total Cash and Investments	<u>\$ 12,720,287</u>
Cash and Investments	\$ 8,429,974
Cash and Investments - Restricted	4,290,313
Total Cash and Investments	<u>\$ 12,720,287</u>

The Subdistrict's bank accounts were covered by federal depository insurance or by collateral held by the Subdistrict's custodial bank under provisions of the Colorado Public Deposit Protection Act (PDPA). Bank deposits of \$250,000 were covered by federal depository insurance and balances of \$27,706 were covered by PDPA.

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

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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, 2023, the Subdistrict had invested \$12,432,461 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, 2023, 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, 2023, the Subdistrict has the following restricted cash balances:

General Fund - Colostrust	\$ 3,058,173
Debt Service Reserve - CWCB Loans	1,232,140

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CAPITAL ASSETS

Capital activities for governmental activities are as follows:

	Balance December 31, 2022, Restated	Additions	Deletions/ Reclassifications	Balance December 31, 2023
Capital Assets, Not Being Depreciated:				
Land	\$ 1,007,816	\$ -	\$ -	\$ 1,007,816
Water Rights	8,198,141	-	-	8,198,141
Perpetual Easement	16,927	-	-	16,927
Construction in Progress	317,265	183,242	-	500,507
Total Capital Assets, Not Being Depreciated	9,540,149	183,242	-	9,723,391
Capital Assets, Being Depreciated/Amortized:				
Water Projects	18,377,950	1,730	(220)	18,379,460
Office Building	60,333	-	-	60,333
Office Equipment	4,368	-	-	4,368
Computer Software	4,205	-	-	4,205
Equipment	713,290	77,213	-	790,503
Vehicles	185,855	45,732	(21,571)	210,016
Right-to-Use Lease Asset - Land	428,225	108,738	(32,092)	504,871
Subscription Based Information Technology Arrangements	65,852	-	-	65,852
Total Capital Assets, Being Depreciated/Amortized	19,840,078	233,413	(53,883)	20,019,608
Accumulated Depreciation/Amortization:				
Water Projects	(3,904,728)	(357,423)	-	(4,262,151)
Office Building	(17,138)	(3,089)	-	(20,227)
Office Equipment	(2,718)	(360)	-	(3,078)
Computer Software	(140)	(841)	-	(981)
Equipment	(374,932)	(53,667)	-	(428,599)
Vehicles	(84,856)	(33,684)	20,409	(98,131)
Right-to-Use Lease Asset - Land	-	(24,277)	-	(24,277)
Subscription Based Information Technology Arrangements	-	(12,308)	-	(12,308)
Total Accumulated Depreciation/Amortization	(4,384,512)	(485,649)	20,409	(4,849,752)
Capital Assets, Net	<u>\$ 24,995,715</u>	<u>\$ (68,994)</u>	<u>\$ (33,474)</u>	<u>\$ 24,893,247</u>

The 2023 depreciation/amortization expense of \$485,649 has been allocated to General Government on the statement of activities.

As a result of the implementation of GASB Statement No. 96 (GASB 96), \$26,894 in SBITA asset has been added to the beginning balance presented above. \$38,958 of previously reported computer software was also reclassified to the beginning SBITA asset balance, which comprises the total SBITA asset of \$65,852 in the table above. The newly calculated SBITA asset of \$26,894 is offset by an equal amount of subscription payable in Note 6. Accordingly, the Subdistrict does not report a restatement of beginning net position for the implementation of GASB 96.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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 annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided as of December 31, 2022

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.

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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. Employee contribution rates for the period were 9.00% for January 1, 2023 through December 31, 2023. Employer contribution rates are summarized in the table below:

	January 1, 2023 Through December 31, 2023
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)	11.00%
Total Apportioned to the LGDTF	-1.02%
	9.98%
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	0.06%
Total Employer Contribution Rate to the LGDTF	13.74%

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)

Contributions (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 \$54,841 for the year ended December 31, 2023.

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

The net pension liability for the LGDTF was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The Subdistrict's proportion of the net pension liability was based on the Subdistrict's contributions to the LGDTF for the calendar year 2022 relative to the total contributions of participating employers.

At December 31, 2023, the Subdistrict reported a liability of \$432,275 for its proportionate share of the net pension liability.

At December 31, 2022, the Subdistricts proportion was .04%, which was approximately the same as of December 31, 2021.

For the year ended December 31, 2023, the Subdistrict recognized pension expense of \$40,250. At December 31, 2023, the Subdistrict reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ -	\$ 2,155
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-
Changes in Assumptions	176,475	-
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	2,953	-
Contributions Subsequent to the Measurement Date	54,841	-
Total	<u>\$ 234,269</u>	<u>\$ 2,155</u>

Deferred outflows of resources related to pensions of \$54,841, 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, 2024.

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources (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>
2024	\$ (17,052)
2025	26,324
2026	64,598
2027	103,403
Total	<u>\$ 177,273</u>

Actuarial Assumptions

The total pension liability in the December 31, 2021 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 for the LGDTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

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.

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

Actuarial Assumptions (Continued)

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

Post-retirement non-disabled mortality assumptions for members other than Safety Officers 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.

Post-retirement non-disabled mortality assumptions for Safety Officers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2021, 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 at least every five years for PERA. 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.

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

Actuarial Assumptions (Continued)

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

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

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

Discount Rate

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. 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 and 2020 AAP assessments. 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 and the subsequent AIR benefit payments were estimated and included in the projections.
- 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.

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)	\$ 725,681	\$ 432,275	\$ 186,646

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

Pension Plan Fiduciary Net Position

Detailed information about the LGDTF' s fiduciary net position is available in PERA's ACFR 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 Subdistrict 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. 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.

C.R.S. § 24-51-1202 *et seq.* specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

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NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

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 \$4,071 for the year ended December 31, 2023.

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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, 2023, the Subdistrict reported a liability of \$28,331 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2022. 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, 2022, the Subdistrict proportion was .003%, which was approximately the same as its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Subdistrict recognized OPEB expense of \$1,104. At December 31, 2023, the Subdistrict reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 4	\$ 6,851
Changes of Assumptions or Other Inputs	455	3,127
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,731	-
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share Share of Contributions	4,016	407
Contributions Subsequent to the Measurement Date	4,071	-
Total	<u>\$ 10,277</u>	<u>\$ 10,385</u>

Deferred outflows of resources related to OPEB of \$4,071, 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, 2024.

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ (1,662)
2025	(1,993)
2026	(408)
2027	349
2028	(377)
Thereafter	(88)
	<u>\$ (4,179)</u>

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NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the December 31, 2021 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	6.50% in 2022 gradually decreasing to 4.50% in 2030
Medicare Part A Premiums	3.75% in 2022, gradually increasing to 4.50% in 2029

The TOL for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (TriCounty Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received and, therefore, no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

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NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

Age-Related Morbidity Assumptions

Participant	Annual Increase	Annual Increase
Age	(Male)	(Female)
65-69	3.00%	1.50%
70	2.90%	1.60%
71	1.60%	1.40%
72	1.40%	1.50%
73	1.50%	1.60%
74	1.50%	1.50%
75	1.50%	1.40%
76	1.50%	1.50%
77	1.50%	1.50%
78	1.50%	1.60%
79	1.50%	1.50%
80	1.40%	1.50%
81 and older	0.00%	0.00%

Sample	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,704	\$1,450	\$583	\$496	\$1,923	\$1,634
70	\$1,976	\$1,561	\$676	\$534	\$2,229	\$1,761
75	\$2,128	\$1,681	\$728	\$575	\$2,401	\$1,896

Sample	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,514	\$5,542	\$4,227	\$3,596	\$6,752	\$5,739
70	\$7,553	\$5,966	\$4,901	\$3,872	\$7,826	\$6,185
75	\$8,134	\$6,425	\$5,278	\$4,169	\$8,433	\$6,657

The 2022 Medicare Part A premium is \$499 per month.

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

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NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

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 industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

<u>Year</u>	<u>PERACare Medicare Plans</u>	<u>Medicare Part A Premiums</u>
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. 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.

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

Pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled 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.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, 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.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

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

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

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

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, 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 at least every five years for PERA. 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.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

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

<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%.

Sensitivity of the Subdistrict's 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 1-percentage-point lower or 1-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	5.25%	6.25%	7.25%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	\$ 27,529	\$ 28,331	\$ 29,203

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, 2022, 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%.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Discount Rate (Continued)

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

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

Sensitivity of the 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 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 OPEB Liability	\$ 32,844	\$ 28,331	\$ 24,471

OPEB Plan Fiduciary Net Position

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

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 LONG-TERM DEBT

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

Description	Balance December 31, 2022, Restated	Additions	Retirements	Balance December 31, 2023	Due Within One Year
2010 CWCB Loan	\$ 10,241,707	\$ -	\$ 457,498	\$ 9,784,209	\$ 468,935
2019 CWCB (Walker)	2,952,342	-	79,017	2,873,325	80,400
2020 Bond Issue	5,725,000	-	125,000	5,600,000	130,000
2020 Bond Issue - Premium	327,593	-	21,435	306,158	20,908
Leases Payable - WAS	396,133	108,738	30,174	474,697	31,889
Subscriptions Payable	26,894	-	8,969	17,925	8,830
Total	<u>\$ 19,669,669</u>	<u>\$ 108,738</u>	<u>\$ 722,093</u>	<u>\$ 19,056,314</u>	<u>\$ 740,962</u>

As a result of the implementation of GASB Statement No. 96 (GASB 96), \$26,894 in subscriptions payable has been added to the beginning balance presented above. As the new subscription payable of \$26,894 is offset by an equal amount of newly calculated SBITA asset in Note 3, the Subdistrict does not report a restatement of beginning net position for the implementation of GASB 96.

In 2010, the Subdistrict obtained a loan from the Colorado Water Conservation Board (CWCB). At December 31, 2023, 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 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, 2023, are as follows:

Year Ending December 31,	Principal	Interest	Total
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	753,794	416,979	1,170,773
2029-2033	4,092,827	1,765,842	5,858,669
2034-2038	4,685,440	1,174,029	5,859,469
2039-2043	3,160,355	552,492	3,712,847
2044-2048	2,043,998	245,318	2,289,316
2049-2053	693,718	22,782	716,500
Total	<u>\$ 18,257,534</u>	<u>\$ 6,039,134</u>	<u>\$ 24,296,668</u>

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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>
2024	\$ 31,889	\$ 10,361	\$ 42,250
2025	30,596	11,654	42,250
2026	29,759	10,816	40,575
2027	30,323	10,002	40,325
2028	31,130	9,195	40,325
2029 - 2033	112,841	35,114	147,955
2034 - 2038	40,117	26,083	66,200
2039 - 2043	33,739	20,581	54,320
2044 - 2048	19,032	17,468	36,500
2049 - 2053	21,810	14,690	36,500
2054 - 2058	24,979	11,521	36,500
2059 - 2063	28,610	7,890	36,500
2064 - 2068	32,767	3,733	36,500
2069	7,105	195	7,300
Total	<u>\$ 474,697</u>	<u>\$ 189,303</u>	<u>\$ 664,000</u>

Subscription-Based Information Technology Arrangements

The Entity has entered into a SBITA for use of Tyler financial accounting software. The SBITA arrangement expires through 2026 and provides for renewal options.

As of December 31, 2023, SBITA asset and the related accumulated amortization totaled \$65,852 and \$12,308, respectively.

The future subscription payments under SBITA agreements are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 8,830	\$ 291	\$ 9,121
2025	9,095	26	9,121
Total	<u>\$ 17,925</u>	<u>\$ 317</u>	<u>\$ 18,242</u>

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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, 2023, the Subdistrict did not have any interfund receivables or payables.

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 \$15 million of authorized but unissued debt.

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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 2023, the Subdistrict paid Central Colorado Water Conservancy District \$498,269 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, 2023, the Subdistrict owed Central Colorado Water Conservancy District and Ground Water Management Subdistrict a combined \$300,915.

REQUIRED SUPPLEMENTARY INFORMATION

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2023**

Fiscal Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 54,841	\$ 44,769	\$ 41,557	\$ 35,178	\$ 35,738	\$ 36,724	\$ 34,872	\$ 27,306	\$ 24,379	\$ 24,967
Contributions in Relation to the Contractually Required Contribution	<u>54,841</u>	<u>44,769</u>	<u>41,557</u>	<u>35,178</u>	<u>35,738</u>	<u>36,724</u>	<u>34,872</u>	<u>27,306</u>	<u>24,379</u>	<u>24,967</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 399,130	\$ 339,673	\$ 315,305	\$ 275,380	\$ 281,401	\$ 291,229	\$ 252,828	\$ 206,509	\$ 189,642	\$ 194,747
Contributions as a Percentage of Covered Payroll	13.7%	13.2%	13.2%	12.8%	12.7%	12.6%	13.8%	13.2%	12.9%	12.8%

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2023**

Fiscal Year	2023	2022	2021	2020	2019	2018	2017
Statutorily Required Contribution	\$ 4,071	\$ 3,465	\$ 3,216	\$ 2,775	\$ 2,874	\$ 2,974	\$ 2,640
Contributions in Relation to the Statutorily Required Contribution	<u>4,071</u>	<u>3,465</u>	<u>3,216</u>	<u>2,775</u>	<u>2,874</u>	<u>2,974</u>	<u>2,640</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 399,130	\$ 339,673	\$ 315,305	\$ 275,380	\$ 281,401	\$ 291,229	\$ 252,828
Contributions as a Percentage of Covered Payroll	1.02%	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, 2023**

Fiscal Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan Measurement Date	December 31, 2022	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	0.043116968%	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	\$ 432,275	\$ (36,331)	\$ 218,555	\$ 291,444	\$ 521,188	\$ 456,947	\$ 543,382	\$ 375,953	\$ 279,029	\$ 233,500
(Entity)'s Covered Payroll	\$ 339,673	\$ 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	127.3%	(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	83.0%	101.5%	90.9%	86.3%	76.0%	79.4%	73.6%	76.9%	80.7%	77.7%

**WELL AUGMENTATION SUBDISTRICT OF
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
SCHEDULE OF THE SUBDISTRICT'S PROPORTIONATE SHARE OF NET OPEB LIABILITY
YEAR ENDED DECEMBER 31, 2023**

Fiscal Year	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Plan Measurement Date	December 31, 2022	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	0.0034698435%	0.0032940923%	0.0032014406%	0.0030518767%	0.0031411531%	0.0029091387%
(Entity)'s Proportionate Share of the Collective Net OPEB Liability	\$ 28,331	\$ 28,405	\$ 30,421	\$ 34,303	\$ 43,740	\$ 41,447
Covered Payroll	\$ 339,673	\$ 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	8.34%	9.01%	11.05%	12.19%	15.02%	16.39%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	38.60%	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, 2023**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Variance</u>
REVENUE			
Class D Assessments	\$ 1,013,069	\$ 1,020,000	\$ (6,931)
Property Taxes	770,469	791,535	(21,066)
Specific Ownership Taxes	130,778	112,000	18,778
Investment Income	293,703	10,000	283,703
Miscellaneous	814,009	19,000	795,009
Federal Grants	-	33,000	(33,000)
Total Revenue	<u>3,022,028</u>	<u>1,985,535</u>	<u>1,036,493</u>
EXPENDITURES			
Operating Expenses:			
Personnel	498,269	470,800	(27,469)
Maintenance	163,098	25,000	(138,098)
Supplies	114,262	43,500	(70,762)
Professional	282,496	169,000	(113,496)
Travel and Meals	19,783	11,800	(7,983)
Water Leases	719,121	1,091,370	372,249
Utilities	82,452	-	(82,452)
Other	482,717	993,651	510,934
Debt Service:			
Principal	39,143	-	(39,143)
Interest	12,228	-	(12,228)
Total Operating Expenditures	<u>2,413,569</u>	<u>2,805,121</u>	<u>391,552</u>
Capital Outlay:			
Equipment and Vehicles	45,732	67,000	21,268
Computer Software	-	15,000	15,000
Water Projects	184,972	3,542,005	3,357,033
Construction Projects	77,148	-	(77,148)
Field Equipment	-	440,500	440,500
Shores Gravel Pit	-	212,000	212,000
Right-to-Use Lease Assets	108,738	-	(108,738)
Total Capital Outlay	<u>416,590</u>	<u>4,276,505</u>	<u>3,859,915</u>
Total Expenditures	<u>2,830,159</u>	<u>7,081,626</u>	<u>4,251,467</u>
REVENUE OVER (UNDER) EXPENDITURES	191,869	(5,096,091)	5,287,960
OTHER FINANCING SOURCES (USES)			
Sale of Assets	8,409	-	8,409
Leases	108,738	-	108,738
Total Other Financing Sources (Uses)	<u>117,147</u>	<u>-</u>	<u>117,147</u>
CHANGE IN FUND BALANCE	309,016	(5,096,091)	5,405,107
Fund Balances - Beginning of Year	<u>5,533,328</u>	<u>5,181,700</u>	<u>351,628</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,842,344</u>	<u>\$ 85,609</u>	<u>\$ 5,756,735</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, 2023**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Variance</u>
REVENUE			
Property Taxes	\$ 2,002,999	\$ 2,057,989	\$ (54,990)
Investment Income	305,237	10,000	295,237
Total Revenue	<u>2,308,236</u>	<u>2,067,989</u>	<u>240,247</u>
 EXPENDITURES			
Operating Expenses:			
Treasurer's Fees	34,590	30,800	(3,790)
Debt Service:			
Principal	658,797	660,200	1,403
Interest	<u>513,977</u>	<u>512,700</u>	<u>(1,277)</u>
Total Expenditures	<u>1,207,364</u>	<u>1,203,700</u>	<u>(3,664)</u>
 CHANGE IN FUND BALANCE	 1,100,872	 864,289	 236,583
Fund Balances - Beginning of Year	<u>5,571,082</u>	<u>5,452,489</u>	<u>118,593</u>
 FUND BALANCES - END OF YEAR	 <u><u>\$ 6,671,954</u></u>	 <u><u>\$ 6,316,778</u></u>	 <u><u>\$ 355,176</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, 2023**

	Actual	Original and Final Budget	Variance
REVENUE			
Investment Income	\$ 14,687	\$ 500	\$ 14,187
Total Revenue	14,687	500	14,187
EXPENDITURES			
Operating Expenses:			
Personnel	-	-	-
Maintenance	-	-	-
Debt Service	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Perspective Differences:			
Proceeds from Debt	-	-	-
Principal Payments on Debt	-	-	-
Depreciation Expense	-	-	-
Capital Outlay	-	-	-
Total Perspective Differences	-	-	-
Total Expenses	-	-	-
REVENUE OVER (UNDER) EXPENDITURES - GAAP BASIS	\$ 14,687	\$ 500	\$ 14,187



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