

Directors:
Emily McMurtrey, President
Steven Brandenburg
Larry Brandt
Ryan Heiland
Ed Martens
Bill Szmyd
James Walker



Little Thompson Water District

District Manager:
Amber Kauffman, PE
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Regular Board Meeting Agenda

June 20, 2024 - 5:00 P.M.

1. Call to Order - *Pledge of Allegiance*
2. Roll Call:
3. Agenda Review:
4. Public Comment on Non-Agenda Items:
5. Consent Items:
 - 5.1. Minutes of the May 16, 2024, Regular Board MeetingPage 2
 - 5.2. Tap List 701Page 11
 - 5.3. May 2024 Disbursements Report.....Page 13
 - 5.4. May 2024 Financial ReportPage 21
6. Discussion Items:
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 - 6.2. Horrocks H2 and RFO Project UpdatePage 66
 - 6.3. Carter Lake Filter PlantPage 67
 - 6.4. Windy Gap Firming Project Quarterly Update.....Page 68
 - 6.5. Public Hearing: Action Item: Motion to Approve:Page 70
Resolution 2024-17 Larimer County Inclusions
Resolution 2024-18 Weld County Exclusions
7. Staff Reports:
 - 7.1. District Manager’s Report.....Page 73
 - 7.2. Business Manager’s Report.....Page 76
 - 7.3. District Engineer’s ReportPage 77
 - 7.4. Water Resources Manager’s Report.....Page 80
 - 7.5. Operations Manager’s Report and Water Quality UpdatePage 83
 - 7.6. Business Project Manager’s ReportPage 86
8. Director Reports:
9. Adjournment.

Agenda Item Summary

Little Thompson Water District

Date: May 16, 2024

Item: 5.1

Staff: Amber Kauffman, District Manager

Subject: Minutes of the April 18, 2024, Regular Board Meeting.

Staff Recommendation: Staff recommends approval.

Discussion:

This document is a draft copy of the:

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF LITTLE THOMPSON WATER DISTRICT**

The Board of Directors of Little Thompson Water District (LTWD) met in regular session on Thursday, May 16, 2024. Attendance was as follows:

Board of Directors:

Emily McMurtrey, President, Absent - *Excused*
Steven Brandenburg, Absent - *Excused*
Larry Brandt, Treasurer, Present – *Presiding Officer*
Ryan Heiland, Present
Ed Martens, Present
Bill Szmyd, Present
James J. Walker, Present

Staff in Attendance:

Amber Kauffman, District Manager
Angela Diekhoff, Business Manager
Brad E. Eaton, District Engineer
Nancy Koch, Water Resources Advisor
Amanda Hoff, Water Resources Manager
Kammy K. Tinney, Business Project Manager
Judy O'Malley, Recording Secretary

Other Attendees:

Shawn Turk, Project Manager; 1898 & Co. (Burns and McDonnell) – *via Teleconference*
Alex Goedecker, Project Manager; 1898 & Co. (Burns and McDonnell) – *via Teleconference*
Brett Pugh, Project Manager; 1898 & Co. (Burns and McDonnell) – *via Teleconference*

CALL TO ORDER

The recitation of the *Pledge of Allegiance* occurred, followed by Treasurer Larry Brandt calling the meeting to order at 5:05 p.m.

ROLL CALL

It was moved by Director Ed Martens, seconded by Director Bill Szmyd, to excuse the absence of both President Emily McMurtrey and Director Steve Brandenburg. Motion carried unanimously.

Roll call was taken. All other Directors were present.

AGENDA REVIEW

There were no changes to the agenda.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Treasurer Brandt opened the Public Comments period. There being no public comments, the Public Comments period was closed.

CONSENT AGENDA

It was moved by Director Szmyd, seconded by Director Ryan Heiland, to approve the Consent Agenda including:

- Minutes of the April 18, 2024, Regular Board Meeting,
- Tap List 700,

- **April 2024 Disbursements in the amount \$1,401,136.45:**
 - ❖ **Operating Account: \$1,071,701.67:**
 - ACH Manual Check Numbers 5383 to 5455 – \$604,750.39,
 - Check Numbers 11797 to 11846 – \$466,951.28,
 - ❖ **Payroll Account: (Two Bi-weekly payroll periods in April) for \$329,434.78:**
 - Live Check Numbers: 2162 to 2163 \$1,836.34
 - ACH Transmittal Vouchers O-2466 to O-2477 – \$168,052.34,
 - ACH Direct Deposit Numbers N-13533 to N-13610 – \$159,546.10,
 - **April 2024 Financial Report.**
- Motion carried unanimously.**

DISCUSSION ITEMS

Dry Creek Reservoir Feasibility Study for Solar Photovoltaic:

Shawn Turk, Alex Goedecker, and Brett Pugh, Project Managers for 1898 and Company, part of Burns and McDonnell, presented the following information to the Board:

- The District sought an evaluation for the installation of both ground mount and floating solar at the Dry Creek Reservoir.
 - ❖ The evaluation looked at the social and financial impacts, the feasibility of installing this technology, and investigated grants and alternative funding methods that may be available to the District.
 - ❖ The evaluation also determined the reduction in evaporation with installed floating solar, water quality improvement from aeration systems, and potential revenue generation through electrical or green hydrogen production.
 - ❖ Topics included:
 - Ground mount solar siting.
 - Floating solar design considerations.
 - Environmental impacts and necessary federal, state, and local permits.
 - Dry Creek Reservoir water evaporation calculations.
 - Water quality in Dry Creek Reservoir and ways to improve the quality.
 - Producing hydrogen from Dry Creek Reservoir water.
 - Interconnection of generated power with either Poudre Valley Rural Electric Association (PVREA) or Tri-State Generation and Transmission Association, Inc. (Tri-State).
 - Economic Analysis:
 - ◇ These types of projects are showing mostly a negative net present value.
 - ◇ Rates from PVREA are too low to make a good return on selling power and costs do not include any upgrades identified by transmission/distribution studies.
 - ◇ The cost of the project was far greater than any benefit the District would receive, including less water evaporation from Dry Creek Reservoir.

The Board agreed the study provided valuable information; however, the costs were too prohibitive to move forward with any energy projects at Dry Creek Reservoir.

Additional discussion was held on the options to improve the water quality at Dry Creek Reservoir. Ms. Kauffman noted that discussions would need to be held with Central Weld County Water District (CWCWD) and Carter Lake Filter Plant (CLFP) Staff.

2024 Legislative Update:

Business Project Manager Kammy Tinney presented a summary of Bills from the 2024 Legislative Session to the Board:

- Water:
 - ❖ HB24-1463. Restrictions on Tap Fees. 05/07/24 Passed.
 - ❖ HB24-1379. Regulate Dredged & Fill Activities in State Waters. 05/06/24 Passed.
 - ❖ SB24-197. Water Conservation Measures. 05/08/24 Sent to Governor.
 - ❖ HB24-1435. Colorado Water Conservation Board (CWCB) Projects. 05/01/24 Passed.
 - ❖ HB24-1436. Sports Betting Tax Revenue Voter Approval. 05/01/24 Passed. November Ballot Referred Measure. 05/08/24 Sent to Governor.
 - ❖ HB24-1362. Measures to Incentivize Graywater Use. 04/30/24 Passed. Effective January 1, 2026, subject to referendum petition.
 - ❖ SB24-127. Regular Dredge & Fill Material in State Waters. 04/25/24 Passed.
 - ❖ SB24-148. Precipitation Harvesting Storm Water Detention. 04/11/24 Governor Signed.
 - ❖ SB24-005. Prohibit Landscaping for Water Conservation. 03/15/24 Governor Signed.
 - ❖ SJR24-004. Water Projects Eligibility List. 03/08/24 Governor Signed.
- Employment:
 - ❖ SB24-073. Maximum Number of Employees to Qualify as Small Employer. 04/22/24 Sent to Governor.
 - ❖ SB24-160. Records of Workplace Discrimination Complaints. 05/08/24 Passed.
 - ❖ SB24-232. Public Employees' Workplace Protections. 05/08/24 Passed.
 - ❖ HB24-1260. Prohibition Against Employee Discipline for Refusing to Participate in Employer Speech. 05/04/24 Passed.
 - ❖ HB24-1220. Workers' Compensation Disability Benefits. 04/30/24 Passed.
- Local Government:
 - ❖ HB24-1152. Accessory Dwelling Units. 05/07/24 Passed.
 - ❖ HB24-1454. Grace Period Noncompliance Digital Accessibility. 05/07/24 Passed.
 - ❖ HB24-1266. Local Government Utility Relocation in Right-of-Way. 04/30/24 Passed.
 - ❖ HB24-1007. Prohibit Residential Occupancy Limits. 04/15/24 Governor Signed.
- Of Note and Likely to Return in 2025:
 - ❖ HB24-1296. Modifications to the Colorado Open Records Act (CORA). 05/01/24 Postponed Indefinitely.
 - ❖ HB24-1168. Equal Access to Public Meetings. 01/24 Introduced and dead-on-arrival.

District Manager Kauffman and Ms. Tinney provided an overview of the legislation included in the summary and responded to questions from the Board.

Treasurer Brandt called for a break at 6:39 p.m. The meeting reconvened at 6:45 p.m.

CLFP:

District Manager Amber Kauffman presented the following information to the Board:

- A summary of the proposal from NoCo Engineering Company (NEC) for pretreatment construction activities was provided.
 - ❖ It was proposed that the contract be for time and materials so that CLFP only pays for the time required for the construction progress.
 - ❖ The proposal amount was close to \$3,185,000 assuming a three-year construction window.

- The proposal included a request of nearly \$58,000 for a construction management software lease.
- ❖ No action was taken on the proposal.
- Also discussed was the potential need for an additional staff member to replace the project management duties of Plant Superintendent Darrel Larson after he retires at the end of 2024.
 - ❖ Plant Manager Rick Whittet felt it would be hard to get a project manager up to speed on the plant in time for construction and that the current operators had much more valuable input for the design and construction.
 - ❖ Hiring another operator was discussed to allow Mr. Whittet or Chief Operator Bryan Beberniss the opportunity to leave regular duties at short notice to address construction issues.
- It was brought to the Board's attention that Northern Colorado Water Conservancy District (Northern) will be looking to replace the gate in the canal downstream of the current location where CLFP diverts water to the south plant.
 - ❖ The proposed new location of this gate will be downstream of the proposed new connection required for the south plant and Dry Creek Reservoir deliveries.
 - ❖ This provides an opportunity for cost sharing in the construction of the new connection for CLFP and of the new gate for Northern in the canal.
 - One challenge is Northern's schedule is one year later than the proposed schedule to have the pretreatment plant on-line.
 - This schedule difference was thought to not have a significant impact on water production at CLFP but is a concern.
- Valves arrived on site and CLFP Staff were authorized to engage Wesco to complete the installation of the valves after receiving the necessary three quotes.
 - ❖ The quote was \$80,000 higher than budgeted.
- The north plant has experienced chemical issues for operators in the membrane area requiring some changes to air handling.
 - ❖ NEC is working with CLFP Staff to add some louvres and fans to address the safety issues.
- CLFP will receive the new style of membrane for installation in one cell this year.
 - ❖ Colorado Department of Public Health and Environment (CDPHE) has not yet issued approval for installation but has indicated they will be doing so.
- CLFP has also received two totes of Avistaclean chemical that showed promise for better cleaning of the membranes.
 - ❖ The plant proposes using this in one to two cells to see if the cleaning results are better than the current citric acid cleaning solution that is used.
- Power outages at the plant have been occurring late night or early morning.
 - ❖ The outages have been managed by the person living at the plant house and / or the crews that have started working the overnight shift.
- Connel has agreed to paint the outside and the floor of the 7 million-gallon (MG) tank but will not repaint the inside joints.
 - ❖ Connel stated the nature of joints causes the paint issues.
 - ❖ Director Szmyd asked if the District was facing the same issue at the Twin Mounds tank; District Engineer Brad Eaton responded there have been no problems so far.

St. Vrain Water Authority (SVWA):

District Manager Kauffman presented the following information to the Board:

- With the resignation of Board President Julie Svaldi, Sean Doherty was appointed as a new Board Member.
 - ❖ Officer elections were held, and the results are as follows:
 - Julie Pasillas – President.
 - James Walker – Vice President.
 - Sean Doherty – Treasurer.
 - Dave Lindsay – Secretary.
- The SVWA Board passed Resolution 2024-08, Designating the Website Accessibility Officer, and Adopting a Website Accessibility Policy.
 - ❖ Rusti Roberto of the Town of Firestone (Firestone) was designated as the Accessibility Officer.
- An issue is occurring with the injection well where there seems to be a reaction with the natural limestone in the ground and the salts from the reject water.
- Firestone was settling with the last two contractors and expected to receive the Certificate of Occupancy in June.
- SVWA had a problem with the setpoints, and the Reverse Osmosis (RO) continued to run past the stop setpoint.
 - ❖ The Ramey Environmental Supervisory Control and Data Acquisition (SCADA) employee researched and then corrected the issue.

Public Hearing: Action Item: Resolutions 2024-15 and 2024-16 Exclusions:

The Public Hearing had been properly publicized. No written objections were received.

Treasurer Brandt opened the Public Hearing at 6:58 p.m. No public was present, and the Public Hearing was closed at 6:59 p.m.

It was moved by Director Szmyd, seconded by Director Heiland, to adopt Resolution 2024-15 Exclusions (Babcock Land), and Resolution 2024-16 Exclusions (Sauer South). Motion carried unanimously.

STAFF REPORTS

District Manager's Report: District Manager Kauffman reported on the following:

- District Activities:
 - ❖ Water Resources Manager Amanda Hoff attended the NoCo Water Alliance meeting on April 30.
 - Discussion continues as to the organization's purpose and the direction moving forward.
 - ❖ On May 8, 2024, Ms. Kauffman sat on a panel at a Lunch and Learn meeting of Upstate Colorado regarding water.
 - Topics centered on costs of water for development, potential of Agricultural Transfer Methods (ATM's) for water sources for water providers, water conservation methods, and non-potable systems.
 - On the panel was a representative from Brookfield, the City of Fort Lupton city manager, and a water attorney.
- District Staffing:
 - ❖ The District continued to look for a new Global Information System (GIS) Specialist.

- The position is extremely important to the organization and will be critical to get the expertise needed for the role and the system as it currently sits.
- IMEG had been re-engaged to identify and correct problems with the system.
- Applications were being evaluated.
- ❖ The District published the opening for the Operations Manager and were evaluating applications.
- ❖ Three additional employees announced their resignations to pursue other opportunities.
 - One position was for Civil Engineer I, which will be posted quickly.
 - The second position was for the Backhoe Crew Leader. Staff will wait until the Operations Manager position is filled before posting the opening.
 - ◇ Crew Leader Valve Exerciser Alan Cordova will fill in during the interim.
 - The third position, the Water Resources Administrator, announced his departure the day of the Board Meeting.
- ❖ The District was also going to be advertising for a Customer Service Representative as this position was budgeted for this year.
- Follow up on Litigation:
 - ❖ The District attorney had a scheduling conference with Magistrate Judge Neureiter who recommended that the case that was filed in Federal Court be placed on hold / administratively closed until the State Court case is settled and the plaintiff's attorney agreed.
 - ❖ Staff hope to close the State Court case scheduled for mediation in May and then for court to begin in December if it is not settled.
 - ❖ After closure of the State case, the parties must either move to reopen the Federal case or stipulate that the action be dismissed within five days.

Business Manager's Report: Business Manager Angela Diekhoff reported on the following:

- Board:
 - ❖ For the 2024 renewal of the District's general liability and cyber security insurance Staff decided to go to the market to see what the options were.
 - ❖ The District has been with Gallagher for a few years and each year the pricing has had a huge increase.
 - The 2024 proposal came in \$20,000 higher than 2023.
 - ❖ Staff received bids from Gallagher, TCW and SDA Pool.
 - ❖ District Manager Kauffman, Business Project Manager Tinney, and Ms. Diekhoff compared each quote and compared the coverages side by side.
 - Ms. Diekhoff thanked Ms. Tinney for her large contribution to the process.
 - The group also listened to proposals from both Gallagher and TCW.
 - ❖ After thoughtful consideration Staff decided to sign the 2024 / 2025 renewal with TCW.
 - The coverage is very comparable and in some areas a lot better than what the District was currently carrying with Gallagher.
 - Signing with TCW saved the District a little over \$20,000 this renewal year.
 - Also, an added benefit of TCW is that the District's representative will be local, where our representative with Gallagher was in Arkansas.
 - ❖ Coverage will continue for ongoing litigation through Gallagher.
- EyeOnWater (EOW):
 - ❖ There was a huge increase in customer sign-ups for EOW in March and April.
 - ❖ Staff had sent out postcards regarding water allotments and how to monitor allotments using EOW in March.

District Engineer's Report: District Engineer Eaton reported on the following:

- There was one new tap and two Accessory Dwelling Units (ADU) Commitment to Serve Requests for April. The 2024 total was 20 taps and seven ADUs.
- Capital Projects:
 - ❖ All capital projects currently in progress are moving forward with no issues to report.
- Development Projects:
 - ❖ The final acceptance was issued for Range View Estates.
 - ❖ The Waterfront development had been quiet but was beginning activity again.
 - Lennar Homes has contracts on several of the phases of the development.
- Other Engineering Department Activities:
 - ❖ The Lead Service Line Inventory (LSLI) project was progressing.
 - Director Szmyd asked if any lead lines had been discovered, Mr. Eaton replied not yet but Staff expect there may be some found in older portions of the District.
 - ❖ Director Szmyd asked if any large apartment complexes were planned within the District, Mr. Eaton replied there is one expected in the Mead Crossing development.
 - Mr. Szmyd questioned if the water dedication for the project had been addressed, Mr. Eaton advised that it had been.
 - ❖ Mr. Eaton noted the District had received approval from Larimer County to make the repairs on West 1st Street.

Water Resources Manager's Report: Water Resources Manager Amanda Hoff reported on the following:

- The water use for April had been average for the past ten years and lower than projections.
- Ms. Hoff, Water Resources Administrator Garrett Dickson, and Water Conservation Specialist Holly Suess gave a water presentation to the Loveland Rotary Club.
 - ❖ Ms. Hoff also noted there is a Headwaters River Journey museum managed by a water alliance group located at the Rotary Club meeting location.
- The snowpack totals were okay but coming down quickly.
 - ❖ Ms. Hoff had included charts in the Board Packet showing that within one month some areas of Colorado that had been at 100 percent or higher snowpack were now at 75 percent or lower.
 - ❖ District Manager Kauffman added that Lake Powell was below average levels.
- Cash-in-Lieu (CIL) sales of the Windy Gap water shares purchased by the District were discussed.
 - ❖ Prices in the water market had recently dropped significantly.

Operations Manager's Report and Water Quality Update: District Manager Kauffman reported on the following:

- Locate Requests were down, and Leak Repairs were on par with the 10-year average.
- Monthly Water Quality Report:
 - ❖ Monthly Total Coliform samples were within acceptable parameters.
 - ❖ Disinfection By Products (DBPs) Sampling was expected to occur in May.
 - ❖ Unregulated Contaminant Monitoring Rule 5 (UCMR5) samples had been returned and one constituent was found to be .0008 micrograms per liter higher than the minimum reporting level.
 - There are no current regulations regarding these findings as the Environmental Protection Agency (EPA) is using these tests to base future requirements.

- Project Updates and Notes:
 - ❖ 6,433 out of 6,564 valves were exercised.

DIRECTOR REPORTS

- Director Martens mentioned a documentary called “Dirty Water” that is about per- and poly-fluoroalkyl substances (PFAS).
 - ❖ Director Szmyd advised that fabric manufacturers have discontinued adding coatings to their material due to PFAS concerns.
- Director Brandt noted that currently Buc-ee’s gas station had a much lower price than other area stations.

It was moved by Treasurer Brandt to adjourn the meeting at 7:31 p.m. Motion carried unanimously.

Respectfully submitted,

Amber Kauffman

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 5.2

Staff: Amber Kauffman, District Manager; Holly Suess, Customer Service Supervisor; Judy O'Malley, Administrative Assistant

Subject: Tap List 701

Staff Recommendation: Staff recommends approval.

Discussion:

TAP LIST 701 ~ NEW AND AMENDED CONTRACTS

TAP #	NAME	5/8-inch Mini Inside Use	5/8-inch Inside Use	5/8-inch Conserv.	5/8-inch Conserv. Plus	5/8-inch Standard	3/4- inch Estate	OTHER	WATER RIGHTS	CIL
10507	Barefoot Residential LLC				X				.55 AF	
10508	Barefoot LLC				X				.55 AF	
10509	Barefoot LLC				X				.55 AF	
10510	Barefoot LLC				X				.55 AF	
10511	Barefoot LLC			X					.35 AF	
10512	Highlands Mead Metro District							1 Inch	3.07 AF	
10513	Highlands Mead Metro District							3/4 Inch	1.45 AF	
10514	St Vrain Lake Metro District							2 Inch	13.19 AF	
10515	St Vrain Lake Metro District							2 Inch	13.24 AF	
10516	Lennar/ R Hearthstone Lot Options			X					.35 AF	
10517	Lennar/ R Hearthstone Lot Options			X					.35 AF	
10518	Lennar/ R Hearthstone Lot Options			X					.35 AF	
10519	Lennar/ R Hearthstone Lot Options			X					.35 AF	
10520	Lennar/ R Hearthstone Lot Options			X					.35 AF	
10521	Lennar/ R Hearthstone Lot Options			X					.35 AF	
10522	Michelle McNamara and Brandy Straatman						X			1.10 AF
10523	Range View Estates LLC		X						.25 AF	

	5/8-inch Mini Inside Use	5/8-inch Inside Use	5/8-inch Conserv.	5/8-inch Conserv. Plus	5/8-inch Standard	3/4-inch Estate	OTHER	WATER RIGHTS	CIL
MAY TOTALS	0	1	7	4	0	1	4	35.85 AF	1.10 AF
YEAR-TO-DATE 2024 TOTALS	0	1	112	10	2	1	9	85.10 AF	2.50 AF
TAPS BUDGETED 2024	0	0	220	0	5	0	0		

Tap Commitments	Balance
Taps with Water Rights Satisfied/Water Dedications	52
Dormant Taps	5
Total Other Tap Commitments	57

MISC. RECEIVABLES

TAP #	NOTES	ACCESSORY DWELLINGS	UPSIZED TAPS	ADDITIONAL ALLOCATION	CIL
10522	Michelle McNamara and Brandy Straatman			1	.26 AF
		ACCESSORY DWELLINGS	UPSIZED TAPS	ADDITIONAL ALLOCATION	CIL
MAY 2024 TOTALS		0	1	1	.26 AF
YEAR-TO-DATE 2024 TOTALS		0	1	2	1.54 AF

Agenda Item Summary

Little Thompson Water District

Date: June 20,2024

Item: 5.3 Disbursements

Staff: Angela Diekhoff, Business Manager

Subject: May 2024 Disbursements.

Staff Recommendation: Approval.

May 2024 Disbursements

Request approval of the May 2024 Cash Disbursements in the amount of \$1,927,122.49

Operating Account: \$1,599,750.24

ACH Manual Check Numbers 5456 to 5548 – \$1,107,062.15.

Check Numbers 11847 to 11902– \$492,688.09.

Payroll Account: \$327,372.25 (Two bi-weekly payroll periods paid in May)

ACH Transmittal Vouchers 2478 to 2489 – \$168,923.82.

ACH Direct Deposit Numbers 13611 to 13687– \$158,448.43.

Discussion:

All expenses are for normal operating costs, except for \$283,316.85 for Capital Cost – District, \$227,026.66 for Capital Cost – Joint, and \$472,161.03 Bond and Loan interest Payments.

Little Thompson Water District
Cash Disbursements Summary
Check Issue Dates: 5/01/2024 to 5/31/2024

Employee Related Expenses	\$	327,372.25
2020 Revenue Bond Interest	\$	445,225.00
Capital Cost - District	\$	283,316.85
Capital Cost- Joint	\$	227,026.66
Filter Plant Ops Expense	\$	140,834.94
Insurance-Property & Casualty	\$	83,248.55
Service Connections	\$	80,260.48
Raw Water Infrastructure	\$	47,694.48
Purchased Water Expenses	\$	35,129.44
2017 BBT Loan Interest	\$	26,936.03
O & M	\$	24,552.58
Inventory	\$	23,573.58
Routine Repairs	\$	22,770.00
Sys Repairs	\$	20,946.64
Vehicle Expenses	\$	17,713.21
Water Rights Consulting	\$	16,275.00
Credit Card- Conference <small>-\$365; Memberships-\$19; Computer Cost-\$563; Bld/Grnds-\$1134; Office Exp-\$10599; Communications-\$53; Vehicle-\$27; Misc-\$110</small>	\$	12,845.74
Legal Expenses	\$	12,628.70
WQ - Lead Service Inventory	\$	12,160.63
St. Vrain Authority	\$	8,633.15
Service Contract	\$	6,513.19
Communication Expenses	\$	6,331.40
Customer Refund Overpayments	\$	5,049.51
Telemetry Expenses	\$	4,437.20
Operations - Utilities	\$	4,374.85
Dry Creek Expenses	\$	4,174.02
Bldg/Grnds	\$	3,209.08
PRV Routine Repairs	\$	2,899.20
Firestone Surcharge Fee	\$	2,780.62
Vehicle Replacement Program	\$	2,756.00
Pump Station O&M	\$	2,268.40
Fire Hyd Meter Deposits	\$	2,000.00
Safety Expenses	\$	1,570.98
Locate Expenses	\$	1,479.63

Little Thompson Water District
Cash Disbursements Summary
Check Issue Dates: 5/01/2024 to 5/31/2024

Uniforms Expenses	\$	1,432.04
Highland Ditch Shares	\$	1,400.00
WQ - UCMR4 Sampling & Testing	\$	865.00
Office Expenses	\$	798.97
WQ - Monthly Sampling	\$	607.50
Aurora Dairy 12 Waterline-Pas	\$	555.70
Valve Repairs and Maintenance	\$	498.73
Storage Tank Maintenance	\$	460.17
Engr/CAD/Prof Expenses	\$	445.00
WQ - Sampling Stations	\$	394.65
Fire Systems(Hydrants)Exp	\$	294.24
Welch Lateral Ditch Shares	\$	280.00
Water Resources General Eng	\$	102.50
Total	\$	1,927,122.49

**Little Thompson Water District
Cash Disbursements Detail
Check Issue Dates: 5/01/2024 to 5/31/2024**

Operations

Check Number	Check Issue Date	Payee	Description	Amount
5477	5/2/2024	UMB Bank NA	2020 Revenue Bond Interest	445,225.00
11883	5/15/2024	Timber Wolf Excavating LLC	Capital Cost-District-Loveland/Campion Conversion	260,424.20
5493	5/16/2024	Carter Lake Filter Plant	Capital Cost-Joint-Pretreatment	146,290.54
5494	5/16/2024	Carter Lake Filter Plant	Filter Plant Ops Expense	140,834.94
5493	5/16/2024	Carter Lake Filter Plant	Capital Cost-Joint-Scada	80,736.12
11874	5/15/2024	Gopher Excavation Inc	Service Connections	79,860.48
11862	5/1/2024	TCW Risk Management	Insurance-Property & Casualty	76,300.00
5504	5/16/2024	Horrocks Engineers, Inc.	Raw Water Infrastructure	47,694.48
5514	5/16/2024	Northern Co Water Cons Dist	Purchased Water Expenses	29,291.70
5521	5/16/2024	Truist Governmental Finance	2017 BBT Loan Interest	26,936.03
5470	5/2/2024	Orback Construction	Routine Repairs	22,770.00
5484	5/3/2024	Adams Bank MasterCard	Credit Card- Conference-\$365;Memberships-\$19;Computer Cost-\$563; Bld/Grnds-\$1134; Office Exp-\$10599; Communications-\$53; Vehicle-\$27; Misc-\$110	12,845.74
5492	5/16/2024	Carlson Hammond & Paddock	Legal Expenses	12,478.70
5519	5/16/2024	Stratus Information Systems (ITX)	O & M	10,818.82
11852	5/1/2024	Gopher Excavation Inc	Sys Repairs	10,020.00
5518	5/16/2024	Snowmelt Water Engineering, LLC	Water Rights Consulting	9,135.00
11880	5/15/2024	St. Vrain Water Authority	St. Vrain Authority	8,633.15
5545	5/30/2024	WEX Bank	Vehicle Expenses	7,730.60
5480	5/2/2024	WEX Bank	Vehicle Expenses	7,352.81
5509	5/16/2024	KIMLEY-HORN ASSOCIATES, INC.	Capital Cost-District-Buckhorn Tank Mixing Sys Study	7,222.00
5536	5/30/2024	Dana Kepner Company Inc	O & M	7,189.00
11888	5/15/2024	Williams and Weiss Consulting, LLC	Water Rights Consulting	7,140.00
5505	5/16/2024	IMEG	WQ - Lead Service Inventory	6,792.00
11882	5/15/2024	TCW Risk Management	Insurance-Property & Casualty	6,731.05
5468	5/2/2024	Loveland Barricade	Sys Repairs	6,297.25
5507	5/16/2024	INFOSEND INC	Service Contract	5,688.50
5523	5/16/2024	WildRock PR & Marketing, LLC	WQ - Lead Service Inventory	5,368.63
11851	5/1/2024	Fort Collins-Loveland Water Dist.	Purchased Water Expenses	5,100.47
11884	5/15/2024	TOWN OF BERTHOUD	Customer Refund Overpayments	5,046.91
5499	5/16/2024	Dana Kepner Company Inc	Inventory	5,006.00
5490	5/16/2024	Badger Meter	Inventory	4,603.68
11864	5/1/2024	THREE SPIKES, LLC	Capital Cost-District-Northeast Transmission Line	4,480.75

Check Number	Check Issue Date	Payee	Description	Amount
5459	5/2/2024	Dana Kepner Company Inc	Inventory	4,380.00
5497	5/9/2024	Core & Main LP	Inventory	4,127.40
11868	5/1/2024	ZACH BEEDLE	Capital Cost-District-Loveland/Campion Conversion	4,114.05
5456	5/2/2024	Badger Meter	Inventory	2,922.50
5460	5/2/2024	DK Solutions LLC	PRV Routine Repairs	2,899.20
11885	5/15/2024	Town of Firestone	Firestone Surcharge Fee	2,780.62
11891	5/29/2024	BearCom	Vehicle Replacement Program	2,756.00
11902	5/29/2024	Waas Campbell Rivera Johnson & Velasquez	Capital Cost-District-3rd & Welker Waterline Replace	2,731.20
5535	5/30/2024	Core & Main LP	Inventory	2,534.00
5520	5/16/2024	Timber Line Electric & Control	Telemetry Expenses	2,472.00
5500	5/16/2024	Denver Winpump Co.	Pump Station O&M	2,268.40
11875	5/15/2024	King Surveyors	Dry Creek Reservoir Expense	2,045.00
11895	5/29/2024	FORESTAR GROUP INC	Fire Hyd Meter Deposits	2,000.00
5533	5/30/2024	Certified Laboratories	O & M	1,996.50
5475	5/2/2024	Timber Line Electric & Control	Telemetry Expenses	1,965.20
5511	5/16/2024	LG Everist Inc	O & M	1,904.11
5547	5/30/2024	Poudre Valley REA	Operations - Utilities	1,897.44
5498	5/16/2024	CR LAND SERVICES, LLC	Capital Cost-District-Northeast Transmission Line	1,840.00
5487	5/9/2024	Poudre Valley REA	Operations - Utilities	1,697.45
5481	5/2/2024	Verizon Wireless	Communication Expenses	1,644.44
5478	5/2/2024	UNCC	Locate Expenses	1,479.63
5471	5/2/2024	PIONEER	Sys Repairs	1,416.77
11853	5/1/2024	Highland Ditch Company	Highland Ditch Shares	1,400.00
11894	5/29/2024	Ditesco	Capital Cost-District-Loveland/Campion Conversion	1,396.40
11872	5/15/2024	Colorado Analytical	Dry Creek Reservoir Expense	1,376.00
5458	5/2/2024	Core & Main LP	O & M	1,323.34
5512	5/16/2024	Loveland Barricade	Sys Repairs	1,208.50
5530	5/28/2024	COMCAST	Communication Expenses	1,170.05
5527	5/22/2024	AT&T Mobility	Communication Expenses	1,039.21
5528	5/24/2024	XCEL Energy	Bldg/Grnds	944.80
5537	5/30/2024	Eurofins Eaton Analytical Inc	WQ - UCMR4 Sampling & Testing	865.00
11871	5/15/2024	Bowman Construction Supply	Sys Repairs	809.85
5515	5/16/2024	PIONEER	Sys Repairs	804.09
5510	5/16/2024	Kirby's Hitch & Wiring	Vehicle Expenses	800.00
5502	5/16/2024	Frontier Business Products	Service Contract	790.62
5531	5/29/2024	Verizon Wireless	Communication Expenses	716.79
5461	5/2/2024	Ferguson Waterworks	O & M	709.00

Check Number	Check Issue Date	Payee	Description	Amount
11849	5/1/2024	Bobcat of the Rockies	Bldg/Grnds	697.22
5457	5/2/2024	Cintas Corporation #737	Bldg/Grnds	670.11
5534	5/30/2024	Cintas Corporation #737	Bldg/Grnds	670.11
5485	5/7/2024	Verizon Wireless	Communication Expenses	661.11
11859	5/1/2024	Rocky Mtn Wildlife Services Inc	Dry Creek Reservoir Maint	646.52
5496	5/16/2024	Cintas Corporation #737	Safety Expenses	612.47
5467	5/2/2024	Landmark EPC LLC	Capital Cost-District-Loveland/Campion Conversion	608.25
11893	5/29/2024	City of Longmont	WQ - Monthly Sampling	607.50
5479	5/2/2024	Western States Land Services LLC	Aurora Dairy 12 Waterline-Pas	555.70
11896	5/29/2024	Fort Collins-Loveland Water Dist.	Purchased Water Expenses	501.40
11863	5/1/2024	The Wired Electric Co.	Capital Cost-District-Twin Mounds Exterior Cathodic	500.00
11892	5/29/2024	Berthoud Ace Hardware	Valve Repairs and Maintenance	498.73
5466	5/2/2024	John Deere Financial	Uniforms Expenses	494.46
11855	5/1/2024	King Surveyors	Engr/CAD/Prof Expenses	445.00
5508	5/16/2024	John Deere Financial	Uniforms Expenses	440.87
5483	5/2/2024	Poudre Valley REA	Operations - Utilities	415.88
11867	5/1/2024	Weld County Public Works Dept.	Service Connections	400.00
5503	5/16/2024	Home Depot Credit Services	WQ - Sampling Stations	394.65
5486	5/7/2024	CenturyLink	Communication Expenses	382.00
5482	5/2/2024	Verizon Wireless	Communication Expenses	363.00
11901	5/29/2024	Rocky Mountain Pressure Washing, LLC	Storage Tank Maintenance	361.00
5488	5/10/2024	COMCAST	Communication Expenses	354.80
5529	5/24/2024	United Power Inc	Operations - Utilities	308.49
11897	5/29/2024	IDEXX	O & M	303.96
5501	5/16/2024	Ferguson Waterworks	Fire Systems(Hydrants)Exp	294.24
11865	5/1/2024	Welch Lateral Ditch Company	Welch Lateral Ditch Shares	280.00
5541	5/30/2024	MAJCO LLC dba Big Brand Tire & Service	Vehicle Expenses	277.79
5473	5/2/2024	Safety Services Inc.	Safety Expenses	275.00
5543	5/30/2024	Safety Services Inc.	Safety Expenses	275.00
5463	5/2/2024	Home Depot Credit Services	Vehicle Expenses	253.00
11890	5/29/2024	American Leak Detection	Sys Repairs	250.00
5472	5/2/2024	Rocky Mtn Quick Lube	Vehicle Expenses	236.32
5516	5/16/2024	Rocky Mtn Quick Lube	Vehicle Expenses	224.70
5506	5/16/2024	InfoArmor, Inc.	Insurance-Property & Casualty	217.50
5517	5/16/2024	Sam's Club	Office Expenses	215.76
11860	5/1/2024	Scheels All Sports	Uniforms Expenses	193.00
11850	5/1/2024	DXP Enterprises, Inc.	Vehicle Expenses	192.97
5464	5/2/2024	Houska Automotive	Vehicle Expenses	180.00
5544	5/30/2024	Sam's Club	Safety Expenses	174.51

Check Number	Check Issue Date	Payee	Description	Amount
5532	5/30/2024	B-Town Automotive	Vehicle Expenses	172.40
11870	5/15/2024	Berthoud Ace Hardware	O & M	162.88
11881	5/15/2024	Starr & Westbrook PC	Legal Expenses	150.00
5465	5/2/2024	Jax Outdoor Gear	Uniforms Expenses	145.00
11869	5/15/2024	Airgas USA LLC	O & M	144.97
11861	5/1/2024	SIAMA JIMENEZ	Sys Repairs	140.18
5513	5/16/2024	Mobile Lab USA LLC	Safety Expenses	134.00
5495	5/16/2024	Central Weld County Water District	Purchased Water Expenses	129.59
11889	5/29/2024	Allegra	Office Expenses	129.00
11857	5/1/2024	LTWD Petty Cash Fund	Office Expenses	120.63
5469	5/2/2024	Napa Auto Parts	Vehicle Expenses	112.21
11854	5/1/2024	In-Situ Inc.	Dry Creek-Joint-Monitoring Sys	106.50
11873	5/15/2024	Consolidated Home Supply Ditch	Water Resources General Eng	102.50
11878	5/15/2024	Prairie Mountain Media	Office Expenses	100.34
11847	5/1/2024	Banner Occupational Health	Safety Expenses	100.00
5538	5/30/2024	Home Depot Credit Services	Storage Tank Maintenance	99.17
5546	5/30/2024	Town of Berthoud	Bldg/Grnds	79.34
11898	5/29/2024	LTWD Petty Cash Fund	Office Expenses	79.01
5542	5/30/2024	Napa Auto Parts	Vehicle Expenses	77.42
11848	5/1/2024	Berthoud Ace Hardware	Bldg/Grnds	74.94
11879	5/15/2024	S & S Sanitation	Bldg/Grnds	72.56
5540	5/30/2024	Kirby's Hitch & Wiring	Vehicle Expenses	60.00
5491	5/16/2024	Bomgaars Supply	Uniforms Expenses	59.99
5522	5/16/2024	Whiteside's Boots	Uniforms Expenses	49.98
11866	5/1/2024	Weld County Clerk & Recorder	Office Expenses	43.00
5476	5/2/2024	Tractor Supply Credit Plan	Vehicle Expenses	42.99
11856	5/1/2024	Longs Peak Water District	Purchased Water Expenses	39.05
5474	5/2/2024	Sam's Club	Office Expenses	37.23
5548	5/30/2024	City of Loveland Water & Power	Purchased Water Expenses	34.67
5462	5/2/2024	Frontier Business Products	Service Contract	34.07
11887	5/15/2024	Weld County Clerk & Recorder	Office Expenses	33.00
5526	5/21/2024	City of Loveland Water & Power	Purchased Water Expenses	32.56
11876	5/15/2024	Larimer County Clerk & Recorder	Office Expenses	28.00
5539	5/30/2024	John Deere Financial	Uniforms Expenses	26.24
5524	5/16/2024	XCEL Energy	Operations - Utilities	24.84
5489	5/13/2024	XCEL Energy	Operations - Utilities	16.77
5525	5/16/2024	XCEL Energy	Operations - Utilities	13.98
11886	5/15/2024	Weld County Clerk & Recorder	Office Expenses	13.00

Check Number	Check Issue Date	Payee	Description	Amount
11858	5/1/2024	MI Sports	Uniforms Expenses	7.50
11877	5/15/2024	MI Sports	Uniforms Expenses	7.50
11899	5/29/2024	MI Sports	Uniforms Expenses	7.50
11900	5/29/2024	ROBERT AND PATRICIA NEB	Customer Refund Overpayments	2.60
Total Operations				\$ 1,599,750.24

Payroll

Check No	Check Date	Payee	Description	Amount
2478	5/6/2024	EFTPS	Federal Withholding Tax Pay Period: 5/5/2024	29,490.06
2479	5/6/2024	CDOR	CO State Withholding Tax Pay Period: 5/5/2024	4,200.00
2480	5/6/2024	COLONIAL LIFE INSURANCE	COLONIAL LIFE Pay Period: 5/5/2024	241.58
2481	5/6/2024	COLORADO RETIREMENT ASSOCIATION	401 Contributions Pay Period: 5/5/2024	13,472.58
2482	5/6/2024	COLORADO RETIREMENT ASSOCIATION	457 Contributions Pay Period: 5/5/2024	8,830.45
2483	5/6/2024	Alerus	HEALTH SAVINGS ACCOUNT Pay Period: 5/5/2024	1,831.42
2484	5/20/2024	EFTPS	Federal Withholding Tax Pay Period: 5/19/2024	34,452.20
2485	5/20/2024	CDOR	CO State Withholding Tax Pay Period: 5/19/2024	4,693.00
2486	5/20/2024	CEBT	Insurance CEBT Pay Period: 5/19/2024	47,771.16
2487	5/20/2024	COLORADO RETIREMENT ASSOCIATION	401 Contributions Pay Period: 5/19/2024	13,511.00
2488	5/20/2024	COLORADO RETIREMENT ASSOCIATION	457 Contributions Pay Period: 5/19/2024	8,548.95
2489	5/20/2024	Alerus	HEALTH SAVINGS ACCOUNT Pay Period: 5/19/2024	1,881.42
13611-13645	5/6/2024	Direct Deposit	Pay Period Ending 5/5/2024	76,145.86
13646	5/6/2024	Szmyd, William R	April Board Meeting	105.62
13647	5/6/2024	Martens, Edward M	April Board Meeting	108.70
13648	5/6/2024	Brandt, Larry R	April Board Meeting	111.78
13649	5/6/2024	Brandenburg, Steven T	April Board Meeting	104.66
13650	5/6/2024	McMurtrey, Emily J	April Board Meeting	102.27
13651	5/6/2024	Walker, James J	April Board Meeting	112.32
13652	5/6/2024	Heiland, Ryan M	April Board Meeting	99.59
13653-13687	5/22/2024	Direct Deposit	Pay Period Ending 5/19/2024	81,557.63
Total Payroll				\$ 327,372.25
Total Cash Disbursements				\$ 1,927,122.49

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item Number: 5.4

Staff: Angela Diekhoff, Business Manager

Subject:

Discussion of the Financial Reports

Staff Recommendation:

Staff recommend acceptance of the May Financial Reports.

Discussion:

OPERATING FUND:

Operating Revenue – We have collected \$5,251,389, which is \$8,421 more than the Budget.

Operating Expenses – We have spent \$7,064,489, which is \$651,422 less than the Budget.

Operating Gain (Loss) – We have an operating loss of \$1,813,099 which is \$659,844 less than Budget.

NON-OPERATING FUND:

Detail of the year-to-date District Capital Projects:

Capital Costs – District	Actual YTD	YTD Budget	Annual Budget
County Rd Improvements	\$ 0	\$ 93,750	\$ 225,000
Service Connection Expense	171,666	\$ 100,045	240,108
Telemetry Improvements	15,099	83,330	200,000
Small Line Abandonment	0	41,665	100,000
Northeast Transmission Line	221,234	1,076,394	2,583,333
5MG Twin Mounds Tank Coating	9,982	0	0
Loveland/Campion Conversion	1,119,787	2,628,000	2,628,000
54 Bridge-Waterline Relocation	730,921	0	0
Dry Creek Feasibility	47,000	70,000	70,000
Twin Mounds Passive Mixing Sys	0	249,700	249,700
3rd & Welker Waterline Replace	53,436	400,000	400,000
Botterill-LTWD System Modification	0	48,070	48,070
Twin Mounds Exterior Cathodic	500	87,000	87,000
Water Efficiency/Water Loss	0	500,000	500,000
30" Barefoot Line-Reimbursement	0	310,000	310,000
Foster Ridge Potholing	126,192	0	0
Buckhorn Tank Mixing System Study	10,572	45,000	45,000
Security Lighting & Cameras at Tank Sites	0	17,600	17,600
Total Capital Projects	\$ 2,506,389	\$ 5,750,554	\$ 7,703,811

Vehicle Replacement Program	52,198	383,000	383,000
Furn & Equip Replacement	0	14,588	35,000
Miscellaneous Equipment	0	7,500	7,500
Office Upgrade-Eng/Ops	0	175,000	175,000
Total Vehicles and Equipment	\$ 52,198	\$ 580,088	\$ 600,500
Water Rights - CBT	0	0	0
Water Rights - Other	0	0	0
Water Resources Gen Eng	40,917	400,000	600,000
Water Resources Gen Legal	2,362	104,165	250,000
H2 Infrastructure Construction	96,198	208,330	875,000
Raw Water Infrastructure	76,925	125,000	250,000
2nd Use Infrastructure Study	0	60,000	120,000
Total Water Rights	\$ 216,403	\$ 897,495	\$ 2,095,000
Total Capital Costs – District	\$ 2,774,991	\$ 7,228,137	\$ 10,399,311

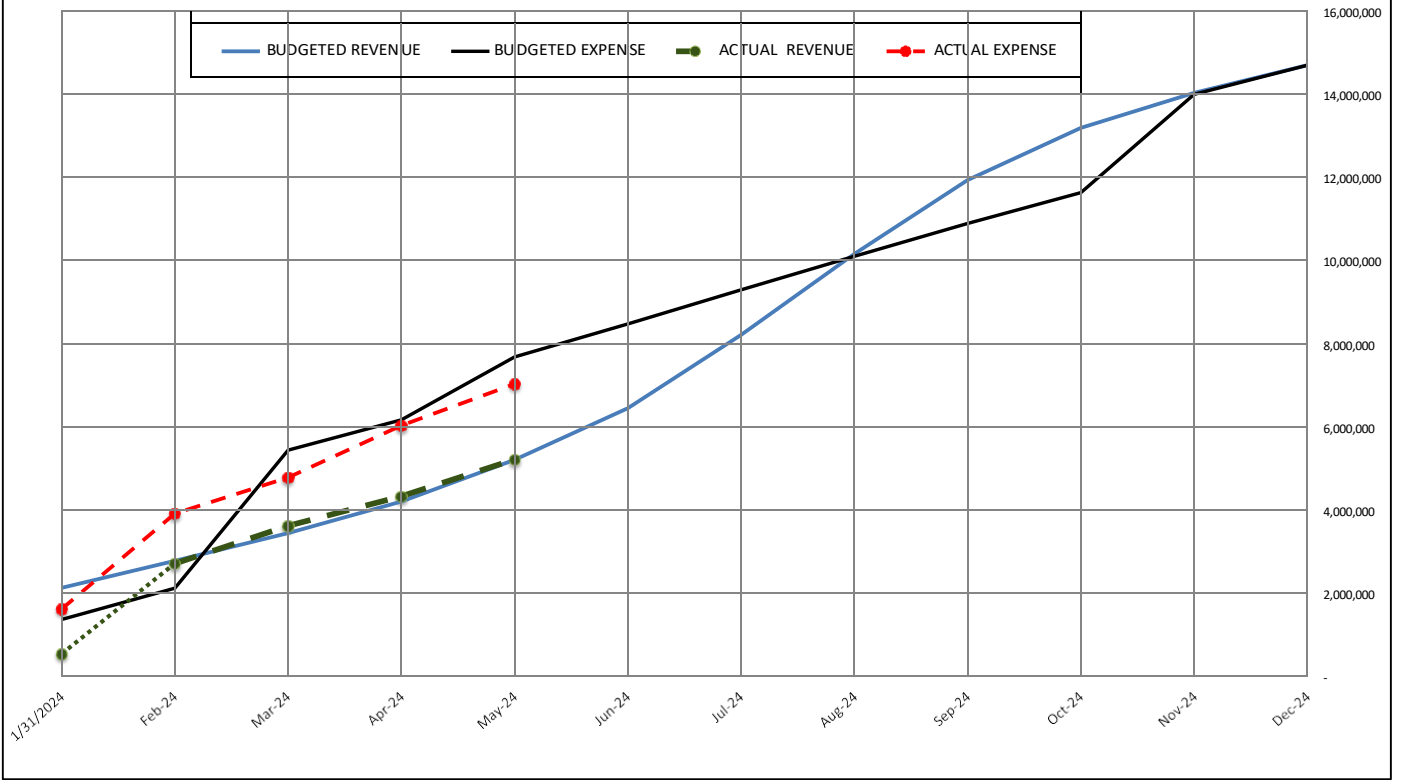
Detail of the year-to-date Joint Capital Projects:

Capital Costs – Joint	Actual YTD	YTD Budget	Annual Budget
CLFP Membrane Replacement	\$ 240,500	\$ 300,000	\$ 300,000
Dry Creek-Joint Cost-Monitoring Sys	\$ 107	\$ 350	\$ 350
Dry Creek-Pump Station	\$ 149,550	\$ 250,000	\$ 250,000
CLFP 7MG Water Tank	\$ 7,751	\$ 0	0
CLFP Vehicles & Equipment	79,563	\$ 75,000	\$ 75,000
Pretreatment Design	511,577	500,000	500,000
Pretreatment Construction	121,231	2,500,000	2,500,000
5MG Steel Tank Painting	8,227	0	0
New Storage Building at Dry Creek	0	61,000	61,000
New Boat Motor & Trailer	0	7,500	7,500
Upgrade Boat Ramp at Dry Creek	0	15,000	15,000
Filter Rehabilitation (South)	0	55,000	55,000
Unspecified place Holder	0	137,500	137,500
Scada Migration Upgrade	33,404	0	0
Total Capital Projects	\$ 1,151,909	\$ 3,901,350	\$ 3,901,350

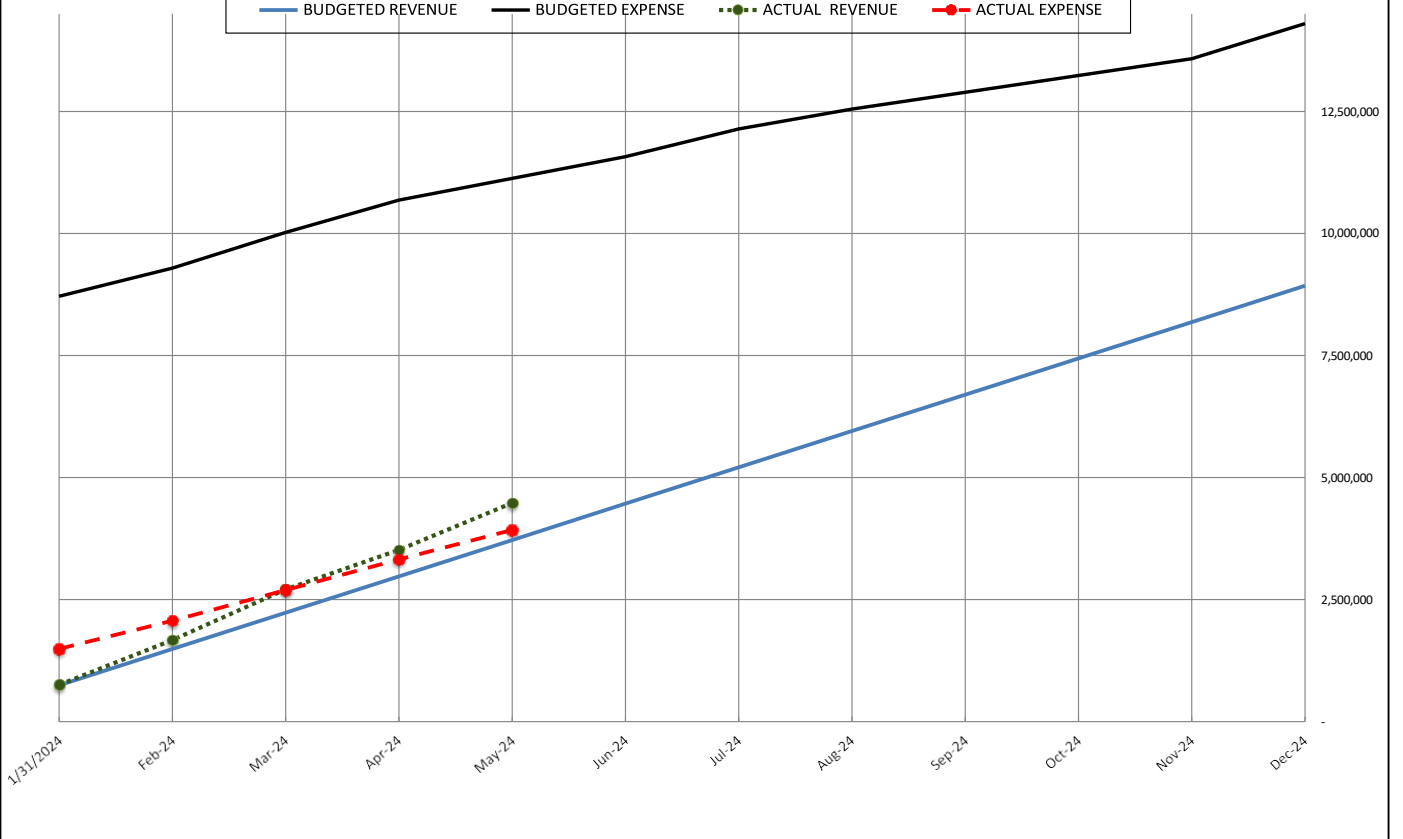
Non-Operating Gain (Loss) – We have a net non-operating gain of \$552,330, which is \$7,960,967 more than Budget.

Year-To-Date Change in Working Capital				
	Actual	Budget	Budget/Actual Comparison	Approved Budget
Operating Gain (Loss)	(1,813,099)	(2,472,943)	659,844	898
Non-Operating Gain (Loss)	552,330	(7,408,637)	7,960,967	(5,370,630)
Total Gain (Loss)	\$ (1,260,769)	\$ (9,881,580)	\$ 8,620,811	\$ (5,369,732)

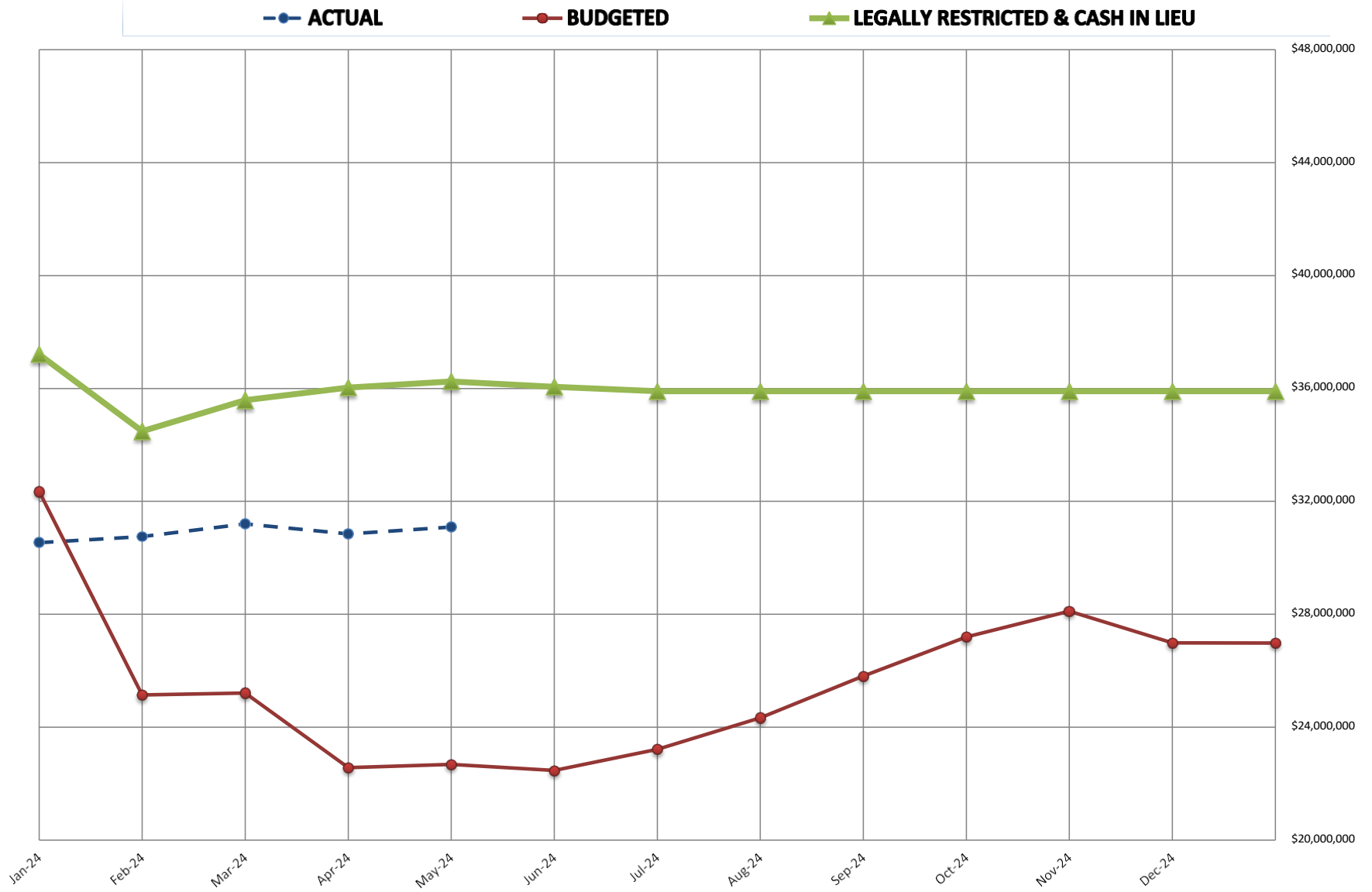
2024 OPERATING REVENUE & EXPENSE CUMULATIVE



2024 NON OPERATING REVENUE & EXPENSE CUMULATIVE



LITTLE THOMPSON WATER DISTRICT 2024 WORKING CAPITAL GRAPHICAL COMPARISON



**LITTLE THOMPSON WATER
DISTRICT BALANCE SHEET
MAY 31, 2024**

	Prior Month	YTD 2024	Actual 2023
CURRENT ASSETS			
Board Designated Reserves	\$ 21,370,107	\$ 21,370,107	\$ 21,589,045
Cash on Hand	\$ 14,061,515	\$ 13,877,112	\$ 15,614,324
Cash In Lieu	\$ 812,000	\$ 812,000	\$ 0
Total Cash & Cash Equivalents	<u>\$ 36,243,622</u>	<u>\$ 36,059,219</u>	<u>\$ 37,203,369</u>
ACCOUNTS RECEIVABLE			
A/R - Water Revenue	\$ 1,042,120	\$ 1,169,361	\$ 1,095,832
A/R - Misc Revenue	\$ 3,191	\$ -8,726	\$ -55,832
Accrued Int Receivable	\$ 88,777	\$ 73,817	\$ 1,959
Projects Passthrough Projects	\$ 5,387	\$ 19,252	\$ -45,952
Total Accounts Receivable	<u>\$ 1,139,474</u>	<u>\$ 1,253,704</u>	<u>\$ 996,007</u>
OTHER ASSETS			
Inventory	\$ 421,101	\$ 376,578	\$ 443,148
Prepaid Expenses	\$ 48,005	\$ 48,005	\$ 48,005
Total Other Assets	<u>\$ 469,106</u>	<u>\$ 424,584</u>	<u>\$ 491,154</u>
CAPITAL ASSETS			
Filter Plant - Joint Venture	\$ 2,734,755	\$ 2,734,755	\$ 2,734,755
Dry Creek Reservoir Dam	\$ 7,442,974	\$ 7,442,974	\$ 7,442,974
Land - Dry Creek Reservoir	\$ 6,529,389	\$ 6,529,389	\$ 6,508,922
Distribution System	\$ 87,446,280	\$ 87,446,280	\$ 81,991,426
Land & Easements	\$ 3,597,185	\$ 3,597,185	\$ 2,931,355
CLFP - Depreciable Asset	\$ 11,247,664	\$ 11,247,664	\$ 11,197,297
Vehicles, Field & Office Equipment	\$ 3,651,703	\$ 3,651,703	\$ 3,240,384
Construction in Progress	\$ 12,012,899	\$ 12,012,899	\$ 12,711,908
Accumulated Depreciation	\$ -44,693,299	\$ -44,693,299	\$ -44,693,299
Water Rights	\$ 122,777,679	\$ 122,777,679	\$ 108,692,679
Total Capital Assets	<u>\$ 212,747,229</u>	<u>\$ 212,747,229</u>	<u>\$ 192,758,402</u>
Total Assets	<u>\$ 250,599,431</u>	<u>\$ 250,484,734</u>	<u>\$ 231,448,931</u>
CURRENT LIABILITIES			
A/P - Supplies	\$ 3,433,268	\$ 3,071,864	\$ 2,552,303
Wages Payable	\$ 361,737	\$ 367,271	\$ 579,087
Bond/Loan Interest Payable	\$ 166,813	\$ 166,813	\$ 166,813
Current Portion Long Term Debt	\$ -1,321,126	\$ -1,321,126	\$ 0
Current Liabilities	<u>\$ 2,640,691</u>	<u>\$ 2,284,822</u>	<u>\$ 3,298,202</u>
LONG TERM LIABILITIES			
Bonds & Notes Payable	\$ 27,894,778	\$ 27,894,778	\$ 27,894,778
Unamortized Premiums - Discounts	\$ 4,447,520	\$ 4,447,520	\$ -4,201,273
Total Long Term Liabilities	<u>\$ 32,342,297</u>	<u>\$ 32,342,297</u>	<u>\$ 32,096,051</u>
Total Liabilities	<u>\$ 34,985,988</u>	<u>\$ 34,627,119</u>	<u>\$ 35,394,253</u>
NET ASSETS			
NET ASSETS	\$ 217,118,385	\$ 217,118,385	\$ 205,868,582
Net Revenue Over Expenses	\$ -1,501,943	\$ -1,260,769	\$ -9,813,905
Total Equity	<u>\$ 215,616,443</u>	<u>\$ 215,857,617</u>	<u>\$ 196,054,678</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 250,599,431</u>	<u>\$ 250,484,734</u>	<u>\$ 231,448,931</u>

**LITTLE THOMPSON WATER DISTRICT
INCOME AND EXPENSE SUMMARY
FOR MONTH ENDING May 31, 2024**

	Current Month Actual	Current Month Budget	Month Comp Bud/Act	2024 YTD Actual	2024 YTD Budget	YTD Comp Bud/Act	2024 Adopted Budget
OPERATING REVENUE							
Water Revenue Base Fee	359,833	355,535	4,298	1,780,081	1,776,200	3,881	4,285,015
Water Revenue Tier I	187,855	173,115	14,740	689,295	618,060	71,235	1,781,365
Water Revenue Tier II	113,408	223,390	-109,982	266,851	447,250	-180,399	2,342,720
Water Revenue Tier III	37,788	93,740	-55,952	125,161	189,605	-64,444	1,612,125
Water Revenue Tier IV	70,271	91,930	-21,659	280,398	376,625	-96,227	1,688,675
Water Revenue Tier V	27,269	35,815	-8,546	72,591	132,585	-59,995	746,030
Water Surcharge	265	0	265	463	0	463	85,250
Water Revenue Wholesale	21,376	22,600	-1,224	82,291	70,965	11,326	340,515
Water Revenue Rental	38,195	0	38,195	58,280	42,000	16,280	42,000
Bulk Water Revenue	22,381	2,500	19,881	81,420	39,000	42,420	212,500
Other Revenue	5,245	5,340	-95	26,510	24,900	1,610	63,080
Windy Gap Firming Passthrough	0	0	0	1,788,048	1,525,778	262,270	1,525,778
Total Operating Revenue	883,886	1,003,965	-120,079	5,251,389	5,242,968	8,421	14,725,053
OPERATING EXPENSES							
Water Treatment	149,087	149,102	-15	699,772	738,586	-38,814	1,958,258
System Maintenance	123,328	103,050	20,278	610,311	482,750	127,561	1,143,900
Administration and General	109,528	155,592	-46,064	553,476	543,281	10,195	1,033,937
Engineering	18,927	32,500	-13,573	69,095	300,675	-231,580	433,275
Assessments	30,047	1,000	29,047	2,608,145	2,688,254	-80,109	2,695,254
Joint Operations	3,524	6,950	-3,427	10,263	175,250	-164,987	223,900
St Vrain Authority Operations	8,633	7,500	1,133	50,911	47,500	3,411	100,000
Wages & Benefits	331,491	389,360	-57,869	1,792,517	2,069,615	-277,098	4,799,581
Bond & Loan Payments	224,775	670,000	-445,225	670,000	670,000	0	2,336,051
Total Operating Expenses	999,340	1,515,054	-515,714	7,064,489	7,715,911	-651,422	14,724,156
Operating Gain(Loss)	-115,454	-511,089	395,635	-1,813,099	-2,472,943	659,844	898
NON OPERATING REVENUE							
Plant Investment Fees	637,400	230,921	406,479	2,605,050	1,154,605	1,450,445	2,771,050
Cash in Lieu of Water Rights	197,200	43,750	153,450	860,200	218,750	641,450	525,000
NonRes Cash in Lieu of Water	0	392,500	-392,500	149,000	1,962,500	-1,813,500	4,710,000
Water Resource Fee	33,000	12,917	20,083	160,500	64,585	95,915	155,000
Tap Installation Revenue	20,840	19,708	1,132	113,560	98,540	15,020	236,500
Interest Income	28,773	25,000	3,773	321,523	125,000	196,523	300,000
Native Water Dedication Fee	0	1,275	-1,275	0	6,375	-6,375	15,300
Gain (Loss) Sale of Asset	0	0	0	24,108	0	24,108	0
Capital Investment/Impact Fee	0	0	0	8,460	0	8,460	0
Other Fees	42,841	18,099	24,742	236,829	90,495	146,334	217,181
Passthrough Revenue	0	0	0	0	0	0	0
Total Non Operating Revenue	960,054	744,170	215,884	4,479,230	3,720,850	758,380	8,930,031
NON OPERATING EXPENSES							
Capital Improvements - District	73,758	279,035	-205,277	2,506,389	5,750,554	-3,244,165	7,703,811
Vehicles & Equipments Costs	2,772	2,916	-144	52,198	580,088	-527,890	600,500
Water Rights - Other	0	0	0	2	0	0	0
Water Rights - NonRes	0	0	0	0	0	0	0
Water Resources General Eng	2,848	100,000	-97,153	40,918	400,000	0	600,000
Water Resources General Legal	0	20,833	-20,833	2,362	104,165	0	250,000
H2 Infrastructure Construction	23,646	41,666	-18,020	96,198	208,330	-112,132	875,000
RFO Infrastructure Construction	24,048	0	24,048	76,925	125,000	-48,075	250,000
2nd Use Infrastructure Study	0	0	0	0	60,000	-60,000	120,000
Total Capital Costs - District	127,072	444,450	-317,378	2,774,991	7,228,137	-3,992,261	10,399,311
Capital Improvements - Joint	476,355	0	476,355	1,151,908	3,901,350	-2,749,442	3,901,350
Total Non Operating Expenses	603,427	444,450	158,977	3,926,899	11,129,487	-6,741,703	14,300,661
Non Operating Gain(Loss)	356,627	299,720	56,907	552,331	-7,408,637	7,960,968	-5,370,630
Net Revenue Over Expenses	241,173	-211,369	452,542	-1,260,769	-9,881,580	8,620,811	-5,369,732

Agenda Item Summary
Little Thompson Water District

Date: June 20, 2023

Item: 6.1

Staff: Angela Diekhoff-Business Manager

Subject: 2023 Audited Financial Statements and Supplementary Information

Staff Recommendation: Staff recommends acceptance of the 2023 Audited Financial Statements.

Discussion:

Eric Miller with The Adams Group, LLC will be presenting the 2023 Year-End Audit Report in person at the June Board meeting.

June XX, 2024

Board of Directors
Little Thompson Water District
835 E. Highway 56
Berthoud, CO 80513

We have audited the financial statements of the Little Thompson Water District (the District) for the years ended December 31, 2023 and 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 28, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. During the year ended December 31, 2023, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. This implementation modifies the financial reporting for SBITAs entered into by the District. For the year ended December 31, 2023, the implementation had no impact on the District's net position. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

- Management's estimate of the depreciation expense related to capital assets is based on the straight-line method of depreciation and the estimated useful life of the asset.
- Management's estimate of inventory balances is based on the cost of the inventory on the date of purchase.
- Management's estimate of the donated capital assets and contributed capital is based on the estimated acquisition value of the assets.
- Management's estimate of the compensated absence balance is based on employee's current rate of pay and their accrued vacation hours as of December 31, 2023.

- Management's estimate of the investment in joint venture and equity in joint venture is based on the District's joint ownership of the Carter Lake Filter Plant with Central Weld County Water District. Balances at December 31, 2023 represent 50 percent of the activity for the Carter Lake Filter Plant and are based off audited financial statements as of December 31, 2023.

We evaluated the methods, assumptions, and data used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive financial statement disclosures as of December 31, 2023.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Attached with this letter is a listing of corrected misstatements for the year ended December 31, 2023. In addition, see listing of uncorrected misstatements which is also attached with this letter.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June XX, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. See our separate letter dated June XX, 2024 which outlines audit findings noted for the year ended December 31, 2023.

Other Matters

We applied certain limited procedures to management’s discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Revenues and Expenditures – Budget and Actual (Budgetary Basis) which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

The Adams Group, LLC
Certified Public Accountants

June XX, 2024

Board of Directors and Management
Little Thompson Water District
835 E. Highway 56
Berthoud, CO 80513

In planning and performing our audit of the financial statements of the Little Thompson Water District (the District) as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the District's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be material weaknesses:

Budgetary Basis vs. Full Accrual Basis of Accounting

The District records activity during the fiscal year on the budgetary basis of accounting, however, the District's financial statements are reported on the full accrual basis of accounting. Due to these different methods of accounting, material adjusting journal entries were required upon initial receipt of the 2023 trial balance. The adjusting entries required to reconcile net position included: 1) \$6.4 million entry related to capital assets and long-term debt activity; 2) \$4.8 million adjustment related to net position and revenues; and 3) other immaterial entries to reconcile net position. As a result of this reconciliation, an uncorrected misstatement was recorded in the current year in order to reconcile net position. We recommend the District utilize the final account balances as of December 31, 2023 as recorded in the 2023 financial statements and record the entries noted as part of the 2023 audit process into the District's general ledger. This will help to ensure the District's general ledger ending balances at December 31, 2023 agree to the audited financial statements as of December 31, 2023.

Capital Assets

Through work performed over capital assets, specifically, capital projects completed during 2023, we noted the District overstated depreciable assets by \$1,582,130. As a result, adjusting journal entries were posted for the year ended December 31, 2023 to properly state depreciable capital assets and construction in progress. We recommend the District perform a review of completed projects at the close of each fiscal year and record depreciable assets or transfers from CIP based on total costs incurred through the completion date of the project.

Through audit procedures performed, we noted other items we do not consider to be material weaknesses or significant deficiencies.

Compensated Absences

If employees work overtime, they are allowed to accrue hours up to 80 total hours, rather than receiving overtime pay on their paycheck. When employees leave, this accrual is then required to be paid out by the District. Prior to 2023, this liability was not recorded by the District, however, for the year ended December 31, 2023, this liability is now recorded. We recommend the District perform a review at yearend to ensure all overtime hours that employees are allowed to accrue are recorded within the compensated absence liability at fiscal yearend.

This communication is intended solely for the information and use of management, Board of Directors, and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

Greenwood Village, Colorado
June XX, 2024

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LITTLE THOMPSON WATER DISTRICT
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023
AND DECEMBER 31, 2022

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LITTLE THOMPSON WATER DISTRICT
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LITTLE THOMPSON WATER DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Introduction

The discussion and analysis is a narrative and analysis of the financial condition and operating results of Little Thompson Water District (“District”). The water system is owned and operated by the District, and it provides treated water services to properties located in Larimer, Weld, and Boulder Counties.

Management’s Discussion and Analysis (“MD&A”) is intended to provide the reader and user of our financial statements with:

- an understanding of the financial issues of the District,
- an overview of the District’s financial activities,
- an explanation of the changes in the District’s financial position,
- an explanatory analysis of the variation of the annual, approved budget, and
- an assessment of any future financial or operating issues of the District.

The MD&A is intended to focus on the 2023 activities, resulting changes, and currently known facts and conditions, it should be read in conjunction with the District’s basic financial statements.

Financial Highlights for 2023 compared to 2022:

- Total operating revenues were \$11,227,849, a decrease of \$473,541.
- Total operating expenses were \$13,726,855, an increase of \$1,997,754. Increase from 2022 was a combination of increases in expenses related to the Carter Lake operating expenses, salaries and benefits, and repairs and maintenance.
- Total debt service principal and interest were \$2,336,043, which was comparable to 2022
- Total non-operating revenues and cash capital contributions were \$14,889,709, an increase of \$7,206,409 which was a direct result of increase in capital contributions and equity in the joint venture.
- Total capital improvement, including water right purchases was \$15,273,637, an increase of \$9,120,748.
- The total budgetary basis expenditures were \$28,793,459, an increase of \$10,819,611.
- Principal paid on long term debt was \$1,322,210, an increase of \$40,591.
- Total long-term debt decreased by \$1,500,401.
- Net capital assets were \$214,101,003, an increase of \$17,580,284.

Overview of the Financial Statements

The financial statements included in this annual report are those of a political subdivision of the State of Colorado, governed by Colorado Revised Statutes Title 32 Special District engaged only in a business-type activity. As an enterprise fund, the District’s basic financial statements are comprised of two components: 1) the financial statements; and 2) notes to financial statements used to explain in more detail some of the information in the financial statements.

LITTLE THOMPSON WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Required Financial Statements

The District's financial statements report information using accounting methods that conform with U.S. generally accepted accounting principles and similar to those used by the private sector. These statements provide both long-term and short-term information about the District's overall financial status. The audited financial statements and related notes are shown on pages 10 – 29.

Statements of Net Position

Reports the District's current financial resources (short-term spendable resources) with capital assets and long-term obligations. The statements provide information about the nature and the amounts of investments (assets), and the obligations owed to the District (liabilities). It provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. However, other non-financial factors should be considered, such as changes in economic conditions and the effects of new or changed governmental legislation.

Statements of Revenues, Expenses and Changes in Net Position

Reports the District's operating and nonoperating revenues and expenses. Operating expenses include all operational costs of the District including depreciation. Non-operating expenses include the net loss from joint venture and debt interest expense.

Statements of Cash Flows

Reports the District's cash flows from operating activities, investing, capital and non-capital activities.

Notes to Financial Statements

Provide additional, required disclosures about the District, including its accounting policies and practices, its financial positions and operating activities, and other required information. The information included in the notes is essential to a full understanding of the information contained in the financial statements.

Other Supplementary Information

Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis)

Provides information comparing the budgeted revenue and expenditure activities with the actual revenue and expenditure activities. Though this schedule is not required as part of the audited financial statements, it is added for review as other supplementary information.

LITTLE THOMPSON WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Condensed Comparative of Financial Information

The following tables of condensed comparative financial information offer summaries of the financial information contained in the District's financial statements.

Condensed Comparative of Financial Information
Statements of Net Position

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Current assets	\$ 2,194,291	\$ 5,844,353	\$ 14,809,728
Restricted assets	37,013,139	39,386,190	29,116,202
Capital assets, net	214,101,003	196,520,719	191,554,640
Other assets	3,023,129	2,912,750	3,090,654
Total assets	<u>256,331,562</u>	<u>244,664,012</u>	<u>238,571,224</u>
<u>Deferred Outflows of Resources</u>			
Deferred loss on bond refunding	<u>18,340</u>	<u>28,048</u>	<u>39,785</u>
<u>Liabilities</u>			
Current liabilities	4,592,145	2,999,872	2,109,664
Long-term liabilities	28,053,923	29,595,576	31,162,096
Total liabilities	<u>32,646,068</u>	<u>32,595,448</u>	<u>33,271,760</u>
<u>Net Position</u>			
Net investment in capital assets	206,526,865	188,088,119	186,008,604
Restricted	3,542,506	2,930,010	2,589,662
Unrestricted	13,634,463	21,078,483	16,740,983
Total Net Position	<u>\$ 223,703,834</u>	<u>\$ 212,096,612</u>	<u>\$ 205,339,249</u>

LITTLE THOMPSON WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Condensed Comparative of Financial Information
Statements of Revenues, Expenses and Changes in Net Position

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Operating revenues</u>			
Water sales and other revenue	\$ 11,227,849	\$ 11,701,390	\$ 11,113,948
Total operating revenues	11,227,849	11,701,390	11,113,948
<u>Operating expenses</u>			
Operating expenses	13,726,855	11,729,101	9,893,165
Operating income (loss)	(2,499,006)	(27,711)	1,220,783
<u>Nonoperating revenues (expenses)</u>			
Grant revenue	29,590	-	68,091
Earnings on investments	974,535	237,258	91,593
Gain on sale of capital assets	-	13,620	12,594
Mineral lease revenue	972	1,537	1,542
Miscellaneous	262,431	166,491	136,364
Equity (loss) from joint venture	110,379	(177,904)	(178,524)
Interest expense	(783,481)	(898,226)	(949,076)
Total nonoperating revenues (expenses)	594,426	(657,224)	(817,416)
<u>Net income before contributions</u>	(1,904,580)	(684,935)	403,367
<u>Capital contributions</u>	13,511,802	7,442,298	39,116,173
Net position, beginning of year	212,096,612	205,339,249	165,819,709
Net position, end of year	\$ 223,703,834	\$ 212,096,612	\$ 205,339,249

Analysis of Financial Position and Operating Results

Operating revenues were \$11,227,849, which is 11% more than budgeted. Capital assets increased by \$17,580,284 in 2023, due to water right purchases and contributions, contributed capital and the completion of certain construction projects. Earnings on investments increased by \$737,277 as a result of increased rates in 2023.

Total expenditures were less than the final budget amount by \$2,839,765, which includes capital expenditures which were \$15,273,637 of the total. Additional explanations to follow with the changes from 2022 to 2023:

- Distribution costs increased in 2023 by \$366,787 which is a direct result of increases in maintenance and operations when compared to the prior year.

LITTLE THOMPSON WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

- Administration and general expenses increased in 2023 by \$154,816 which can be attributed to an increase in building and computer expenses, insurance, and officer service contracts.
- Engineering expenses increased in 2023 by \$11,788.
- Employee costs increased in 2023 by \$285,495 as a result of increased salaries and benefits related to administration, distribution, and engineering.
- Carter Lake Filter Plant and Dry Creek Reservoir joint operations increased by \$471,814.
- Water assessments and rentals increased by \$334,733 due to costs incurred for CBT municipal shares expense, Windy Gap fixed charges, and other Windy Gap pooled finance charges.
- Total capital expenditures increased from 2022 by \$9,120,748. See Note 5 for additional information.

Major additions in 2023:

- The District purchased and had contributed water rights of \$14,085,000 during the year ended December 31, 2023.
- The District received \$280,700 in tap installation revenue and expended \$167,016 on new service connections.
- The District spent \$411,319 on vehicle replacements and equipment purchases.
- As of December 31, 2023, the District placed the 5MG Twin Mounds project into service for \$2,292,278 and the West 1st Street Project into service for \$1,596,240.

Contracts and Agreements

The District is party to several contracts and cooperative agreements concerning the transfer and sale of water and providing emergency assistance as requested. The District has agreements with the cities of Loveland, Johnstown, Berthoud, and Greeley, and the Central Weld County, Fort Collins/Loveland, Long's Peak, North Carter Lake Water Districts and St. Vrain Water Authority.

Economic and Other Factors

Overall, retail water revenues decrease in 2023 primarily due to lower customer usage when compared to 2022. District management utilizes a forecasting program to develop rates and fees that will ensure the District remains a financially sound entity. There was continued growth throughout the District and in Larimer, Weld, and Boulder counties in 2023. Operating expenses have increased because of a conscious decision to be proactive with more repairs and maintenance of our aging system.

The annual rate and extent of future growth and development within the District will be materially affected by the economy but also by management, zoning and land use procedures and policies established by Town of Mead, Loveland, Larimer, Weld, and Boulder Counties. Each of these governmental entities control growth in the areas under their government and the policies and procedures are outside the control or influence of the District.

LITTLE THOMPSON WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Financial Contact

The District's financial statements are designed to present users (customers, citizens, creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional financial information, please contact the District Business Manager, Little Thompson Water District, 835 E. Hwy. 56, Berthoud, CO 80513 or at (970)532-2096.

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BASIC FINANCIAL STATEMENTS

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LITTLE THOMPSON WATER DISTRICT
STATEMENTS OF NET POSITION

<i>December 31,</i>	2023	2022
<u>Assets</u>		
<u>Current assets</u>		
Cash and investments	\$ 190,230	\$ 4,421,074
Receivables	1,499,042	951,881
Prepaid items	48,005	25,656
Inventories	457,014	445,742
Total current assets	2,194,291	5,844,353
 <u>Noncurrent assets</u>		
<u>Restricted assets</u>		
Cash and investments	37,013,139	39,386,190
<u>Capital assets</u>		
Distribution system	87,350,053	81,958,708
Carter Lake Filter Plant improvements	11,247,664	11,197,297
Dry Creek reservoir dam	7,442,973	7,442,973
Buildings and improvements	1,639,163	1,547,633
Vehicles and equipment	3,449,691	3,038,372
Intangible assets	202,012	202,012
Total depreciable assets	111,331,556	105,386,995
Less: accumulated depreciation and amortization	(40,508,545)	(37,965,469)
Total depreciable assets, net	70,823,011	67,421,526
Land, easements and reservoir	8,487,411	7,892,644
Water rights	122,777,679	108,692,679
Construction in progress	12,012,902	12,513,870
Total capital assets, net	214,101,003	196,520,719
<u>Other assets</u>		
Investment in joint venture	3,023,129	2,912,750
Total non-current assets	254,137,271	238,819,659
Total assets	256,331,562	244,664,012
 <u>Deferred outflows of resources</u>		
Unamortized deferred loss on refunding	18,340	28,048
Total deferred outflows of resources	18,340	28,048

(Continued)

LITTLE THOMPSON WATER DISTRICT
STATEMENTS OF NET POSITION
(CONTINUED)

<i>December 31,</i>	2023	2022
<u>Liabilities</u>		
<u>Current liabilities</u>		
Accounts payable and retainage	1,612,722	802,477
Other accrued liabilities	1,343,002	584,850
Accrued wages payable	191,904	205,758
Accrued interest expense	81,055	84,577
Current portion of bonds and notes payable	1,363,462	1,322,210
Total current liabilities	4,592,145	2,999,872
 <u>Noncurrent liabilities</u>		
Accrued compensated absences	387,183	328,836
Bonds and notes payable, net of current portion	27,666,740	29,266,740
Total noncurrent assets	28,053,923	29,595,576
Total liabilities	32,646,068	32,595,448
 <u>Net Position</u>		
Net investment in capital assets	206,526,865	188,088,119
Restricted	3,542,506	2,930,010
Unrestricted	13,634,463	21,078,483
Total Net Position	\$ 223,703,834	\$ 212,096,612

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LITTLE THOMPSON WATER DISTRICT
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION

<i>For the Years Ended December 31,</i>	<u>2023</u>	<u>2022</u>
<u>Operating revenues</u>		
Water sales - treated	\$ 11,117,667	\$ 11,568,120
Service and other revenue	110,182	133,270
Total operating revenues	<u>11,227,849</u>	<u>11,701,390</u>
<u>Operating expenses</u>		
Distribution	1,297,847	931,060
Administration and general	1,028,396	873,580
Engineering	91,299	79,511
Employee costs	4,415,113	4,129,618
Carter Lake Filer Plant and Dry Creek		
Reservoir operating expenses	1,973,577	1,501,763
St. Vrain Authority	84,709	10,016
Water assessments and rentals	2,292,838	1,958,105
Depreciation	2,543,076	2,245,448
Total operating expenses	<u>13,726,855</u>	<u>11,729,101</u>
Operating income (loss)	(2,499,006)	(27,711)
<u>Nonoperating revenues (expenses)</u>		
Grant revenue	29,590	-
Earnings on investments, net	974,535	237,258
Gain on sale of capital assets	-	13,620
Mineral lease revenue	972	1,537
Miscellaneous	262,431	166,491
Equity (loss) from joint venture	110,379	(177,904)
Interest expense	(783,481)	(898,226)
Total nonoperating revenues (expenses)	<u>594,426</u>	<u>(657,224)</u>
Net income before contributions	(1,904,580)	(684,935)
Capital contributions	<u>13,511,802</u>	<u>7,442,298</u>
Change in net position	11,607,222	6,757,363
Net position, beginning of year	212,096,612	205,339,249
Net position, end of year	<u>\$ 223,703,834</u>	<u>\$ 212,096,612</u>

LITTLE THOMPSON WATER DISTRICT
STATEMENTS OF CASH FLOWS

<u>For the Years Ended December 31,</u>	<u>2023</u>	<u>2022</u>
<u>Cash flows from operating activities</u>		
Cash received from customers	\$ 10,680,688	\$ 11,687,709
Cash paid to suppliers	(5,233,891)	(4,843,081)
Cash paid to employees	(4,370,620)	(4,059,754)
Net cash provided by operating activities	<u>1,076,177</u>	<u>2,784,874</u>
<u>Cash flows from noncapital financing activities</u>		
Mineral lease revenue	972	1,537
Other non-operating revenues	292,021	166,491
Net cash provided by noncapital financing activities	<u>292,993</u>	<u>168,028</u>
<u>Cash flows from capital and related financing activities</u>		
Contributed capital	8,662,079	6,383,660
Acquisition and construction of capital assets	(15,273,637)	(6,152,889)
Proceeds from disposition of capital assets	-	13,620
Principal paid on long-term debt	(1,322,210)	(1,281,619)
Interest paid	(1,013,833)	(1,055,687)
Net cash used in capital and related financing activities	<u>(8,947,601)</u>	<u>(2,092,915)</u>
<u>Cash flows from investing activities</u>		
Interest and dividends	974,535	289,827
Purchase of investments	(11,073,240)	(8,230,207)
Proceeds from sale of investments	14,773,556	10,799,641
Net cash provided by investing activities	<u>4,674,851</u>	<u>2,859,261</u>
Net increase (decrease) in cash and cash equivalents	(2,903,580)	3,719,248
Cash and cash equivalents, beginning of year	14,921,102	11,201,854
Cash and cash equivalents, end of year	<u>\$ 12,017,522</u>	<u>\$ 14,921,102</u>

LITTLE THOMPSON WATER DISTRICT
STATEMENTS OF CASH FLOWS
(CONTINUED)

<i>For the Years Ended December 31,</i>	2023	2022
Reconciliation of loss from operations to net cash used in operating activities:		
Operating income (loss)	\$ (2,499,006)	\$ (27,711)
Adjustments to reconcile loss from operations to net cash flows used in operating activities:		
Depreciation expense	2,543,076	2,245,448
(Increase) decrease in accounts receivable	(547,161)	(13,681)
(Increase) decrease in prepaid items	(22,349)	(953)
(Increase) decrease in inventories	(11,272)	(192,734)
Increase (decrease) in accounts payable	810,245	581,392
Increase (decrease) in other liabilities	758,151	123,249
Increase (decrease) in accrued wages	(13,854)	72,382
Increase (decrease) in compensated absences	58,347	(2,518)
Net cash provided by operating activities	\$ 1,076,177	\$ 2,784,874

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LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Form of Organization

The Little Thompson Water District (the “District”) is organized under the provisions of Section 32-1-305 (6) of the Colorado Revised Statutes (“CRS”). It is a quasi-municipal corporation and a political subdivision of the State of Colorado with all powers thereof which includes the power to levy taxes against property within the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the District’s accounting policies are described below.

Reporting Entity

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit’s board, and either, a) the ability to impose its will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

Based on the above criteria, there are no other organizations that would be considered component units of the District.

Financial Statements Basic

The District is a special-purpose government engaged only in business-type activities. As such, enterprise fund financial statements are presented.

Basis of Accounting

Proprietary funds, which include enterprise funds, are accounted for on a flow of economic resources measurement focus using the accrual basis of accounting.

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Basis of Accounting (continued)

Therefore, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of this fund are included in the statement of net position.

Revenues and expenses are recorded in the accounting period in which they are earned or incurred, and they become measurable. Net position is segregated into net investment in capital assets, restricted for debt service and loan reserves, and unrestricted net position. Proprietary fund-type operating statements present increases (e.g., revenues) then decreases (e.g., expenses) in total net position. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

Budgets and Budgetary Accounting

An annual budget and appropriation resolution is adopted by the Board of Directors (the “Board”) in accordance with state statutes. The budget is prepared on a basis consistent with GAAP except that capital asset additions and principal payments are budgeted as expenditures and debt proceeds are budgeted as revenues. The budget process timeline is as follows:

- 1) On or about October 15, the District staff submits to the Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are conducted at regular Board meetings to obtain taxpayer comments.
- 3) Prior to December 15, the budget is legally adopted by the Board.
- 4) Unused appropriations lapse at the end of each year.

Cash and Cash Equivalents

The District considers all highly liquid investments with original maturities of three months or less which are available for operating expenditures to be cash equivalents. Short term investments, consisting of funds invested in a local government investment pool (Note 2) are considered to be cash equivalents and are measured at net asset value, which approximates fair value.

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Investments

Investments consisting of local government investment pools, money markets, and certificates of deposit are measured in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. See Note 2 for additional information.

Allowance for Doubtful Accounts

The District's receivables are due from commercial and residential customers within the District service area. The District's policy for collections is limited to the right to discontinue service and to place liens on property. The District has determined that no allowance is necessary at December 31, 2023 or 2022, based on historical collection experience, and the ability to place liens on property.

Revenue Recognition

Revenues are recognized when earned. Metered water accounts are read and billed three times a month on 30-day cycles. Unbilled water charges are accrued for the period from the last meter reading through year-end and are included in receivables. Unbilled accounts receivable, included in receivables, amounted to \$547,431 and \$198,579, at December 31, 2023 and 2022, in the accompanying statements of net position, respectively.

Inventories

Inventories, consisting primarily of operating supplies for water meter repair and installation and supplies for repairs and maintenance of water mains, valves, and fire hydrants, have been valued at cost, using the average cost method of accounting.

Capital Assets

Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are valued at acquisition cost or estimated acquisition cost if actual acquisition cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed. The District's intangible assets are software which is being amortized over its estimated useful life as shown below.

Depreciation of capital assets is charged as an expense against operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Capital Assets (continued)

<u>Description</u>	<u>Estimated Useful Lives</u>
Distribution system	10 - 50 years
Carter Lake Filter Plant improvements	20 - 50 years
Dry Creek Reservoir Dam	100 years
Buildings and improvements	20 - 50 years
Vehicles and equipment	3 - 20 years
Intangible assets - software	10 years

Joint Venture

The District is a participant with Central Weld County Water District (“CWCWD”), in a joint venture to operate Carter Lake Filter Plant (the “Plant”), the filter plant from which the District and CWCWD purchase 100% of their water. The Plant is governed by a six-member board of directors composed of three appointees from the District and three from CWCWD. The District and CWCWD are each charged for their respective share of the water purchased from the Plant and may be assessed for capital improvements made at the Plant on a periodic basis. Beginning in 2008, the District and CWCWD revised the joint venture agreement in order to change the way that major improvements to the Plant are funded. Major capital improvements to the Plant are no longer funded by the Plant, with assessments issued to each district; but rather, they are funded by the individual districts independently, and included in each of the district’s capital assets. As such, the depreciation expense for these assets has also been reflected in the financial statements of the District and CWCWD. The District’s net investment and its share of the operating results of the District are reported in the accompanying statements of net position, and revenues, expenses, and changes in net position. The District’s equity interest in the Plant was \$3,023,129 and \$2,912,750 at December 31, 2023 and 2022, respectively. Complete financial statements for the Plant may be obtained from the Plant’s administrative office at 7100 W. County Road 8-E, Berthoud, Colorado 80521.

Debt Related Deferrals

Premiums, discounts, and losses on refunding are deferred and amortized to interest expense over the life of the debt using the effective interest method. The net premiums and discounts are presented as an adjustment to the face amount of the debt. Deferred losses on refunding are reflected as a deferred outflow of resources in the accompanying statements of net position. Bond issuance costs are recognized as an expense during the period of issuance.

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Accrued Compensated Absences Payable

Obligations associated with the District’s vacation policy are recorded as a liability and expense when earned to the extent that such benefits vest to the employee. The amount of the accrued and unpaid balance due under this policy is considered a long-term liability.

Contributions in Aid of Construction

Contributions of cash, distribution lines, transmission lines and water rights to the District by developers, customers or by agreements with others are treated as capital contributions on the District’s statement of revenues, expenses, and changes in net position.

Net Position

Net position is classified in the following categories:

Net Investment in Capital Assets - This category groups all capital assets into one component of net position. Accumulated depreciation of these assets and related debt balances reduces this category.

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

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

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

Use of Estimates

The preparation of financial statements in conformity with GAAP 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Adoption of New Accounting Standard

For the year ended December 31, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which provides guidance on the accounting and financial reporting for SBITAs for governments. The implementation of the new standard had no impact on the District’s net position as of December 31, 2023.

NOTE 2 – CASH AND INVESTMENTS

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023 and 2022, the District had deposits with financial institutions with a carrying amount of \$12,017,522 and \$14,921,102, respectively. The bank balances with the financial institution were \$12,070,627 and \$15,051,711, respectively. All balances were either covered by FDIC or PDPA.

At December 31, 2023 and 2022, the District had cash and cash equivalents balances as follows (includes restricted cash):

	2023	2022
Cash on hand	\$ 400	\$ 400
Bank deposits	12,017,122	14,920,702
Investments	25,185,847	28,886,162
Total cash and investments	\$ 37,203,369	\$ 43,807,264

Cash and cash equivalents balances are reflected on the statement of net position at December 31, 2023 and 2022, as follows:

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

	<u>2023</u>	<u>2022</u>
Cash and investments	\$ 190,230	\$ 4,421,074
Restricted cash and investments	37,013,139	39,386,190
Total	<u>\$ 37,203,369</u>	<u>\$ 43,807,264</u>

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which special districts may invest which include:

- Obligations of the United States and certain U.S. government agency securities and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Certain reverse repurchase agreements
- Certain securities and lending agreements
- Certain corporate bonds
- Written repurchase agreements collateralized by certain authorized securities
- Guaranteed investment contracts
- Local government investment pools

District policy is to match maturity of investments with cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than three (3) years from the date of purchase or in accordance with state and local statutes and ordinances.

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>S&P Rating</u>
Colorado Local Government	Weighted average		
Liquid Asset Trust	under 60 days	\$ 2,229,449	AAAm
Certificates of	Less than 1 year		
Deposit	to 3 years	9,508,125	N/A
Money Markets	Less than 1 year	13,154,288	AAAm
Government Agency Bonds	1 - 5 years	293,985	AA+
		<u>\$ 25,185,847</u>	

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

Local Government Investment Pool

At December 31, 2023 and 2022, the District had invested \$2,229,449 and \$2,116,352, respectively, in the Colorado Local Government Liquid Asset Trust (the “Trust”), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1. The Trust offers shares in three portfolios, ColoTrust Prime, ColoTrust Plus+, and ColoTrust EDGE. All District investments are in ColoTrust Prime or ColoTrust Plus+.

ColoTrust Prime invests only in U.S. Treasury and government agencies. ColoTrust Plus+ can invest in U.S. Treasury, government agencies, and in the highest-rate commercial paper. A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. The Trust is rated AAAM by Standard and Poor’s and is measured at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. At December 31, 2023 and 2022, the District’s certificates of deposit and money markets with balances of \$22,662,413 and \$26,481,027, respectively, are measured at amortized cost. At December 31, 2023 and 2022, the District’s investment in government agency bonds is measured at Level 2 with a fair value of \$293,985 and \$288,783.

Interest Rate Risk

The District has a formal written investment policy that limits the type and maturities of permitted securities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District investments adhere to Colorado Revised Statutes which limit investment maturities to five years or less from the date of purchase.

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 3 – RESTRICTED ASSETS

Amounts shown as restricted cash and investments have been restricted by bond indentures or by the Board of Directors to be used for specified purposes. The balance restricted as of December 31, 2023 and 2022, was \$37,013,139 and \$39,386,190, respectively, for operations and maintenance, unspent bond proceeds, and other reserve accounts set aside by the Board of Directors.

NOTE 4 – RECEIVABLES

Receivables at December 31, 2023 and 2022, consisted of the following:

	2023	2022
Water service	\$ 548,401	\$ 494,301
Unbilled accounts receivable	547,431	198,579
Miscellaneous	403,210	259,001
Total	\$ 1,499,042	\$ 951,881

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LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Additions	Deletions/ Reclass	Ending Balance
Capital assets, not being depreciated				
Water rights	\$ 108,692,679	\$ 14,085,000	\$ -	\$ 122,777,679
Land and easements	1,599,028	574,300	(215,306)	1,958,022
Dry Creek Reservoir	6,293,616	20,467	215,306	6,529,389
Construction in progress	12,513,870	3,387,547	(3,888,515)	12,012,902
Total capital assets, not being depreciated	<u>129,099,193</u>	<u>18,067,314</u>	<u>(3,888,515)</u>	<u>143,277,992</u>
Capital assets, being depreciated				
Distribution system	81,958,708	5,391,345	-	87,350,053
Carter Lake Filter Plant improvements	11,197,297	50,367	-	11,247,664
Dry Creek Reservoir Dam	7,442,973	-	-	7,442,973
Buildings and improvements	1,547,633	91,530	-	1,639,163
Vehicles and equipment	3,038,372	411,319	-	3,449,691
Intangible assets	202,012	-	-	202,012
Total capital assets, being depreciated	<u>105,386,995</u>	<u>5,944,561</u>	<u>-</u>	<u>111,331,556</u>
Less accumulated depreciation				
Distribution system	(31,340,896)	(1,871,756)	-	(33,212,652)
Carter Lake Filter Plant improvements	(2,798,462)	(295,679)	-	(3,094,141)
Dry Creek Reservoir Dam	(1,040,511)	(75,389)	-	(1,115,900)
Buildings and improvements	(612,498)	(42,823)	-	(655,321)
Vehicles and equipment	(2,006,078)	(251,803)	-	(2,257,881)
Intangible assets	(167,024)	(5,626)	-	(172,650)
Total accumulated depreciation	<u>(37,965,469)</u>	<u>(2,543,076)</u>	<u>-</u>	<u>(40,508,545)</u>
Total capital assets, being depreciated, net	<u>67,421,526</u>	<u>3,401,485</u>	<u>-</u>	<u>70,823,011</u>
Total capital assets	<u>\$ 196,520,719</u>	<u>\$ 21,468,799</u>	<u>\$ (3,888,515)</u>	<u>\$ 214,101,003</u>

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 – CAPITAL ASSETS (CONTINUED)

Capital asset activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Capital assets, not being depreciated				
Water rights	\$ 107,102,679	\$ 1,590,000	\$ -	\$ 108,692,679
Land and easements	1,028,821	570,207	-	1,599,028
Dry Creek Reservoir	6,293,616	-	-	6,293,616
Construction in progress	11,599,131	4,034,726	(3,119,987)	12,513,870
Total capital assets, not being depreciated	<u>126,024,247</u>	<u>6,194,933</u>	<u>(3,119,987)</u>	<u>129,099,193</u>
Capital assets, being depreciated				
Distribution system	78,061,585	3,897,123	-	81,958,708
Carter Lake Filter Plant improvements	11,190,325	6,972	-	11,197,297
Dry Creek Reservoir Dam	7,432,221	10,752	-	7,442,973
Buildings and improvements	1,547,633	-	-	1,547,633
Vehicles and equipment	2,918,025	221,734	(101,387)	3,038,372
Intangible assets	202,012	-	-	202,012
Total capital assets, being depreciated	<u>101,351,801</u>	<u>4,136,581</u>	<u>(101,387)</u>	<u>105,386,995</u>
Less accumulated depreciation				
Distribution system	(29,795,492)	(1,545,404)	-	(31,340,896)
Carter Lake Filter Plant improvements	(2,502,783)	(295,679)	-	(2,798,462)
Dry Creek Reservoir Dam	(966,189)	(74,322)	-	(1,040,511)
Buildings and improvements	(569,675)	(42,823)	-	(612,498)
Vehicles and equipment	(1,840,185)	(267,280)	101,387	(2,006,078)
Intangible assets	(147,084)	(19,940)	-	(167,024)
Total accumulated depreciation	<u>(35,821,408)</u>	<u>(2,245,448)</u>	<u>101,387</u>	<u>(37,965,469)</u>
Total capital assets, being depreciated, net	<u>65,530,393</u>	<u>1,891,133</u>	<u>-</u>	<u>67,421,526</u>
Total capital assets	<u>\$ 191,554,640</u>	<u>\$ 8,086,066</u>	<u>\$ (3,119,987)</u>	<u>\$ 196,520,719</u>

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 6 – LONG-TERM OBLIGATIONS

A summary of changes in long-term obligations for the year ended December 31, 2023 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Revenue Bonds					
2020	\$ 22,110,000	\$ -	\$ 425,000	\$ 21,685,000	\$ 445,000
Notes Payable					
2017A	2,820,821	-	538,106	2,282,715	551,051
2017B	1,682,336	-	359,104	1,323,232	367,411
Bond premiums	3,975,793	-	236,538	3,739,255	-
Compensated absences	328,836	322,042	263,695	387,183	-
Total long-term obligations	<u>\$ 30,917,786</u>	<u>\$ 322,042</u>	<u>\$ 1,822,443</u>	<u>\$ 29,417,385</u>	<u>\$ 1,363,462</u>

A summary of changes in long-term obligations for the year ended December 31, 2022 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Revenue Bonds					
2020	\$ 22,515,000	\$ -	\$ 405,000	\$ 22,110,000	\$ 425,000
Notes Payable					
2017A	3,346,521	-	525,700	2,820,821	538,106
2017B	2,033,255	-	350,919	1,682,336	359,104
Bond premiums	4,217,585	-	241,792	3,975,793	-
Compensated absences	331,354	228,022	230,540	328,836	-
Total long-term obligations	<u>\$ 32,443,715</u>	<u>\$ 228,022</u>	<u>\$ 1,753,951</u>	<u>\$ 30,917,786</u>	<u>\$ 1,322,210</u>

The annual requirements and future payments on debt outstanding as of December 31, 2023, is as follows:

Year Ending December 31,	Principal	Interest	Total
2024	\$ 1,363,462	\$ 972,663	\$ 2,336,125
2025	1,409,721	928,909	2,338,630
2026	1,451,722	883,408	2,335,130
2027	1,281,042	860,465	2,141,507
2028	515,000	820,000	1,335,000
2029 - 2033	3,005,000	3,685,250	6,690,250
2034 - 2038	3,715,000	2,967,600	6,682,600
2039 - 2043	4,525,000	2,162,000	6,687,000
2044 - 2048	5,505,000	1,182,200	6,687,200
2049 - 2050	2,520,000	152,200	2,672,200
Total	<u>\$ 25,290,947</u>	<u>\$ 14,614,695</u>	<u>\$ 39,905,642</u>

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 6 – LONG-TERM OBLIGATIONS (CONTINUED)

Series 2020, Water Revenue Bonds

On September 29, 2020, the District issued \$22,785,000 of Water Revenue Bonds, Series 2020. The bonds are special revenue obligations of the District, payable from all income and revenues directly or indirectly derived by the District from the operation and use of the System, or any part thereof less all reasonable and necessary current expenses of the District, paid or accrued, for operating, maintain and repairing the System. The bonds carry an interest rate of 4 to 5% with principal payments due December 1st of each fiscal year through 2050. At December 31, 2023, the bonds have \$81,055 of accrued interest and an unamortized bond premium of \$3,739,255.

2017A and 2017B Notes Payable

On March 14, 2017, the District issued \$5,873,339 of Water Revenue Refunding Notes, Series 2017A. The note is a special revenue obligation of the District, payable from all income and revenues directly or indirectly derived by the District from the operation and use of the System, or any part thereof less all reasonable and necessary current expenses of the District, paid or accrued, for operating, maintaining, and repairing the System. The notes carry an interest rate of 2.36% with principal payments due June 1st and December 1st each year through 2027.

On December 7, 2017, the District issued \$3,360,638 of Water Revenue Refunding Notes, Series 2017B. The note is a special revenue obligation of the District, payable from all income and revenues directly or indirectly derived by the District from the operation and use of the System, or any part thereof less all reasonable and necessary current expenses of the District, paid or accrued, for operating, maintaining, and repairing the System. The notes carry an interest rate of 2.30% with principal payments due June 1st and December 1st each year through 2027.

NOTE 7 – RATE MAINTENANCE

The 2017 loan resolutions and the 2020 bond resolution requires the District to establish, maintain, enforce, and collect rates, fees, District investment fees, availability fees, tolls, and charges for services furnished by or from the use of the system to generate gross revenue each fiscal year sufficient to pay operation and maintenance expenses, as defined, and to create Net Revenue, as defined, in an amount equal to not less than 110% of the amount necessary to pay when due, the principal of and interest on the First Lien Bond, the Bonds, and any Parity Lien Bonds, as defined, coming due during such fiscal year.

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 7 – RATE MAINTENANCE (CONTINUED)

2023 principal paid	\$	1,322,210
2023 interest paid		978,272
Subtotal		2,300,482
		110%
Required net revenue as defined in 2020, 2017A, and 2017B resolutions	\$	2,530,530

The following calculation shows the District’s compliance with these bond and loan agreements:

<u>Net revenue as defined in 2020 and 2017 Agreements</u>		
Operating revenues	\$	11,232,099
Tap fees / water rights		3,442,815
Subtotal		14,674,914
Operating expenses (less depreciation expense)		(11,183,779)
Required net revenue	\$	3,491,135

NOTE 8 – DEFINED CONTRIBUTION PENSION PLAN

The District has adopted a defined contribution pension plan administered by Colorado Retirement Association (“CRA”) which provides pension benefits for all full-time employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The covered payroll was \$2,815,380 and \$2,552,480 for the years ended December 31, 2023 and 2022, respectively. All employees are eligible to participate in the plan immediately that worked for a minimum 20 hours per week or 1,040 hours per year.

The District and its employees each contribute an amount equal to 5% of the employees’ annual base salary or wage. Employees become vested in District contributions at the rate of 20% per year and are fully vested after five years. The benefit terms are established and may be amended by the District’s Board of Directors. The District contributed \$140,769 and \$127,624 to the plan for covered employees during the years ended December 31, 2023 and 2022, respectively.

Deferred Compensation Plan

The District also has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is optional for employees and the District matches up to 2% of employees base salary. For the year ended December 31, 2023, the District contributed \$54,649 for employees enrolled in the plan.

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance covering specific and general risks of loss, including worker’s compensation and employee health and accident insurance.

NOTE 9 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Risk Management (continued)

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 10 – TABOR COMPLIANCE

In November 1992, Colorado voters passed an amendment (the “Amendment” or “TABOR”) to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and fiscal year spending include allowable annual increases tied to inflation and local growth in construction valuation.

Fiscal year spending, as defined by the Amendment, excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The Amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the spending limit must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate.

The Amendment also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by the Amendment, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District is an enterprise fund and has no TABOR revenues and therefore has not set aside any monies for emergencies as defined by TABOR.

The District believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require judicial interpretation.

LITTLE THOMPSON WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 11 – SUBSEQUENT EVENTS

The District evaluated subsequent events through **June XX, 2024**, the date these financial statements were available to be issued. There were no material subsequent events that require recognition or additional disclosure.

DRAFT

SUPPLEMENTARY INFORMATION

DRAFT

LITTLE THOMPSON WATER DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)

<i>For the Years Ended December 31,</i>	2023			2022	
	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)	Actual Amounts Budget Basis
	Original	Final			
Revenues					
Operating revenues					
Water sales	\$ 13,121,140	\$ 9,873,077	\$ 10,836,967	\$ 963,890	\$ 11,330,090
Tap installation	269,496	188,600	280,700	92,100	238,030
Miscellaneous	61,160	62,902	110,182	47,280	133,270
Total operating revenues	<u>13,451,796</u>	<u>10,124,579</u>	<u>11,227,849</u>	<u>1,103,270</u>	<u>11,701,390</u>
Non-operating revenues (expenses)					
Earnings on investments	180,000	957,512	974,535	17,023	237,258
Mineral lease revenue	-	-	972	972	1,537
Miscellaneous	336,250	577,360	262,431	(314,929)	166,491
Grant revenue	887,875	1,022,901	29,590	(993,311)	-
Gain on sale of capital assets	-	-	-	-	13,620
Total non-operating revenues	<u>1,404,125</u>	<u>2,557,773</u>	<u>1,267,528</u>	<u>(1,290,245)</u>	<u>418,906</u>
Contributions					
Tap fees / water rights	5,389,925	5,634,129	8,662,079	3,027,950	6,383,660
Total revenues	<u>20,245,846</u>	<u>18,316,481</u>	<u>21,157,456</u>	<u>2,840,975</u>	<u>18,503,956</u>
Expenditures					
Distribution					
Maintenance and operation	865,500	1,033,915	1,125,477	(91,562)	768,440
Vehicle expense	162,500	177,461	145,613	31,848	144,602
Water quality	31,700	25,983	26,757	(774)	18,018
Total distribution	<u>1,059,700</u>	<u>1,237,359</u>	<u>1,297,847</u>	<u>(60,488)</u>	<u>931,060</u>
Administration and general					
Building and grounds expense	99,900	58,990	70,721	(11,731)	108,078
Computer expense	191,700	231,070	232,154	(1,084)	176,689
Farm expense	2,800	2,900	2,900	-	2,820
Insurance	134,420	137,193	117,077	20,116	112,797
Memberships	20,980	26,828	25,569	1,259	28,684
Miscellaneous	83,400	56,854	16,772	40,082	13,115
Office service contracts	185,162	207,715	224,578	(16,863)	141,540
Office expense	43,600	43,600	30,560	13,040	71,978
Professional fees	74,000	77,500	82,943	(5,443)	55,782
Public relations	80,600	80,600	111,849	(31,249)	53,431
Safety and training expense	23,100	22,349	21,475	874	22,753
Telephone and communications	77,500	75,255	72,123	3,132	69,271
Uniforms	23,100	22,586	19,675	2,911	16,642
Total administration and general	<u>1,040,262</u>	<u>1,043,440</u>	<u>1,028,396</u>	<u>15,044</u>	<u>873,580</u>
Engineering					
Engineering/CAD/professional fees	270,000	58,834	38,226	20,608	32,396
Water conservation	62,685	45,000	42,148	2,852	23,833
Soil amendments rebates	10,000	5,979	3,979	2,000	6,211
Landscaping incentives	14,875	4,125	3,617	508	12,503
Engineering department expenses	8,000	25,340	3,329	22,011	4,568
Total engineering	<u>365,560</u>	<u>139,278</u>	<u>91,299</u>	<u>47,979</u>	<u>79,511</u>

(Continued)

LITTLE THOMPSON WATER DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)

<i>For the Years Ended December 31,</i>	2023			2022	
	Budget Amounts			Variance with Final Budget Positive (Negative)	Actual Amounts Budget Basis
	Original	Final	Actual		
<u>Expenditures (continued)</u>					
<u>Employee costs</u>					
Administration	1,147,914	1,028,010	1,020,851	7,159	955,242
Board	16,406	6,459	7,966	(1,507)	8,606
Distribution	1,974,612	2,183,502	2,124,227	59,275	1,871,313
Engineering	1,588,531	1,295,561	1,262,069	33,492	1,294,457
Total employee costs	<u>4,727,463</u>	<u>4,513,532</u>	<u>4,415,113</u>	<u>98,419</u>	<u>4,129,618</u>
<u>Carter Lake Filter Plant and Dry Creek</u>					
<u>Reservoir joint operating costs</u>					
Filter plan operating expense	2,017,931	1,859,000	1,883,653	(24,653)	1,475,487
Dry creek reservoir operating expense	289,265	124,836	89,924	34,912	26,276
Total Carter Lake Filter Plant and Dry Creek Reservoir joint operating costs	<u>2,307,196</u>	<u>1,983,836</u>	<u>1,973,577</u>	<u>10,259</u>	<u>1,501,763</u>
<u>St. Vrain Authority</u>					
Start up costs	75,000	75,000	84,709	(9,709)	10,016
Total St. Vrain Authority	<u>75,000</u>	<u>75,000</u>	<u>84,709</u>	<u>(9,709)</u>	<u>10,016</u>
<u>Water assessment and rentals</u>					
Purchased water expense	2,462,500	2,290,690	2,292,838	(2,148)	1,958,105
Total water assessments and rentals	<u>2,462,500</u>	<u>2,290,690</u>	<u>2,292,838</u>	<u>(2,148)</u>	<u>1,958,105</u>
<u>Debt service</u>					
Principal retired	1,322,142	1,321,126	1,322,210	(1,084)	1,281,619
Interest	1,014,913	1,015,929	1,013,833	2,096	1,055,687
Total debt service	<u>2,337,055</u>	<u>2,337,055</u>	<u>2,336,043</u>	<u>1,012</u>	<u>2,337,306</u>
<u>Capital improvement</u>					
Plant and equipment	10,020,736	18,013,034	15,273,637	2,739,397	6,152,889
Total capital improvement	<u>10,020,736</u>	<u>18,013,034</u>	<u>15,273,637</u>	<u>2,739,397</u>	<u>6,152,889</u>
Total expenditures	<u>24,395,472</u>	<u>31,633,224</u>	<u>28,793,459</u>	<u>2,839,765</u>	<u>17,973,848</u>
Excess (deficiency) of revenues over (under) expenditures	(4,149,626)	(13,316,743)	(7,636,003)	5,680,740	530,108
<u>Reconciling items to GAAP basis</u>					
Capital improvements			15,273,637		6,152,889
Principal paid on debt			1,322,210		1,281,619
Depreciation			(2,543,076)		(2,245,448)
Contributed capital assets			4,849,723		1,058,638
Joint venture income (loss)			110,379		(177,904)
Change in accrued interest expense			3,522		(72,594)
Amortization of deferred loss and premiums			226,830		230,055
Change in net position			<u>\$ 11,607,222</u>		<u>\$ 6,757,363</u>

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 6.2

Staff: Brad Eaton P.E., District Engineer

Subject: Horrocks H2 and RFO Update

Staff Recommendation: Informational only

Discussion:

Horrocks Engineers (Horrocks) was commissioned by LTWD staff in October of 2023 to begin the route planning and easement acquisition for the H2 and RFO transmission pipeline projects. Horrocks is a multi-discipline, national firm with local offices in Loveland and Denver.

Route planning for both projects has included the evaluation of potential pipeline corridors using aerial survey, subsurface utility investigation and environmental field investigations provided by the Horrocks team.

This initial field data collection phase has also required public outreach by Horrocks to alert property owners of the two projects, as well as to obtain permission to enter various properties for ground level field investigations. To further assist with public outreach, Horrocks is hosting a website that will allow interested parties to learn more about the two projects, as well as to view project information and progress updates.

Using the field data noted above, Horrocks has prepared comprehensive GIS mapping which will be used by LTWD staff to identify desired pipeline alignments for each transmission line. Once definitive pipeline alignments have been selected, Horrocks will begin easement negotiations with affected property owners.

Courtney Wallace is our ROW Acquisition and Utility Coordinator for Horrocks and will further present details of the work provided by the Horrocks team.

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 6.3 Carter Lake Filter Plant

Staff: Amber Kauffman, District Manager

Subject: Carter Lake Filter Plant (CLFP)

Staff Recommendation: Informational Only

Discussion:

The June CLFP board packet was forwarded to the LTWD board on Monday, June 10, 2024. Important information from the meeting is summarized below.

- The summary of anticipated costs from NoCo Engineering was reviewed again for pretreatment construction activities. It is proposed that the contract is time and materials so that the CLFP only pays for time required for the construction progress which can vary greatly based on the quality of the contractor selected. The proposal amount was near \$3,185,000 assuming a 3-year construction window. The board approved the proposed T&M costs for NoCo to perform the construction management/inspections.
- It was brought to the board's attention that Darrell has decided to work part time for the plant for the duration of the pretreatment construction. The details of the arrangement are for Darrell and Rick to work out.
- The board approved Rick for two new employees. One to replace Darrell's full-time position and another to add to the regular staff. There is concern that the overnight staff are there by themselves at night and if anything happened it could be a safety concern.
- CLFP installed the new style of membranes in cell 6 after approval from CDPHE. Early results on use of the membranes indicate the new style will provide an additional 1 MGD per cell in the production at the plant. This is GREAT news. It gives CLFP a little more cushion in the production of water to meet demands during the construction of pretreatment. The board asked Rick to look into the potential to order enough membranes to replace all remaining 5 cells with the new style membranes. CLFP believes there is a 4-month order time and the board felt that it would be good to order the new membranes as long as CLFP can stop the order prior to delivery in order to potentially install the membranes in January pending performance in cell 6. The board will wait to approve the purchase until CLFP confirms any order cancellation requirements. To replace all membranes will cost approximately \$2.5 Million.

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2023

Item: 6.4

Staff: Amber Kauffman, District Manager

Subject: Windy Gap Firming Project (WGFP) Quarterly Update

Staff Recommendation: Informational only

Discussion:

Colorado River Connectivity Channel (CRCC)

The work on the connectivity channel is nearly complete and a ribbon cutting ceremony is anticipated in October.



Chimney Hollow

- The current dam height is 210 feet (as of June 4) from the downstream toe.
- Construction has begun on the saddle dam.
- The grouting program is expected to be completed by the end of July.
- The first pipe was placed in the upstream tunnel.
- There was a record 1,200 cubic yards of concrete placed on site in one week for the spillway, valve house, and tunnel.

- The concrete for valve house has all been placed and the metal building is going up.
- Shown in the adjacent picture is a Bailey Sleeve Valve that breaks 1,100 feet of head from the pressure from the Bald Mountain Tunnel to the valve house. The valves were tested at the manufacturer's facility to 800 psi. All valves will be onsite in about 4 weeks.

Northern has been working with the State Engineer's office to prepare a commissioning/start-up procedure. This will limit the filling of the reservoir to three feet per day with



three hold points during the fill for 21 days at each hold point. Pumping will likely be the filling constraint.

The contractor is approximately 13 days ahead of schedule based on the realigned schedule due to change orders. The contractor is about 65 percent complete (by billing) on the project. There have been two OSHA recordables in the past month however the overall incident rate is very low for this type of construction.

LTWD has been given notice as to the Completion C and E for the firming project. This means that a financing decision will need to be given to Northern Water by August 26. If the decision is to cash fund, all cash must be to Northern Water by August 29. We are waiting on our partner to discuss with their management.

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 6.5 Public Hearing Action Item

Staff: Judy O'Malley, Administrative Assistant

Subject: LTWD Larimer County Inclusions – Resolution 2024-17
LTWD Weld County Exclusions – Resolution 2024-18

Staff Recommendation: Staff recommends approval authorizing the Board President and Secretary to complete the documents required to include or exclude the properties, as listed below, to or from the Little Thompson Water District.

Discussion: The inclusions and exclusions for the properties listed below are being done to comply with District Rules and Regulations. See the attached location maps.

LITTLE THOMPSON WATER DISTRICT
835 E. HIGHWAY 56
Berthoud, Colorado 80513
970-532-2096

RESOLUTION 2024-17

A RESOLUTION TO GRANT PETITIONS
FOR PROPERTY INCLUSION INTO THE
LITTLE THOMPSON WATER DISTRICT

"RESOLVED that **LITTLE THOMPSON WATER DISTRICT** grant the Petitions for Inclusion of Land into the District by the following property owners of the properties described as follows:

Property Owner: Matthew Glassford & Bernice Ann Glassford

Parcel Number: 0425105014

Property Address: 5316 Glen Dr, Berthoud, CO 80513

Legal Description: LOT 14, BLK 3, BERTHOUD EST SUB 2ND, COUNTY OF LARIMER, STATE OF COLORADO

Property Owner: H&H Carroll Investment Properties LLC

Parcel Number: 9430210017

Property Address: 4909 Gary Dr, Berthoud, CO 80513

Legal Description: LOT 17, BLK 6, BERTHOUD EST SUB 2ND, COUNTY OF LARIMER, STATE OF COLORADO

for the inclusion of their properties in said District. It is resolved that the President and Secretary of the District do any and all things necessary to include such properties into the District."

"I hereby certify that the above Resolution was duly and regularly adopted by the Little Thompson Water District at a meeting of the Board of Directors held on June 20, 2024."

President

Attest: _____
Secretary

[SEAL]

LITTLE THOMPSON WATER DISTRICT
835 E. HIGHWAY 56
Berthoud, Colorado 80513
970-532-2096

RESOLUTION 2024-18

A RESOLUTION TO GRANT PETITIONS
FOR PROPERTY EXCLUSION FROM THE
LITTLE THOMPSON WATER DISTRICT

"RESOLVED that **LITTLE THOMPSON WATER DISTRICT** grant the Petitions for Exclusion of Land from the District by the following property owners of the properties described as follows:

Property Owner: Johnstown North Investments LLC

Parcel Number: 105906000038

Property Address: 6882 County Rd 50, Johnstown, CO 80534

Legal Description: PT W2NE4 6-4-67 LOT B REC EXEMPT RE-2616, COUNTY OF WELD, STATE OF COLORADO

for the exclusion of their properties from said District. It is resolved that the President and Secretary of the District do any and all things necessary to exclude such properties from the District."

"I hereby certify that the above Resolution was duly and regularly adopted by the Little Thompson Water District at a meeting of the Board of Directors held on June 20, 2024."

President

Attest: _____
Secretary

[SEAL]

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 7.1 District Manager's Report

Staff: Amber Kauffman, District Manager

Subject: Manager's Report

Staff Recommendation: Informational Only

Discussion: The following is a summary of my activities and happenings in the District over the past month.

District Activities:

LTWD managers attended a second leadership retreat on May 21 with the same facilitators as the one held in November. The results of the discussion were positive with recognition of some ongoing struggles, particularly tied to workload. The primary notes are:

- LTWD needs to formalize a better way to manage communication and tracking for development review across all departments. This includes the commitment letter process, review of construction plans, development agreement requirements, issuance of initial and final acceptance, work orders for meter installs, and closeout of the warranty period.
- Workload is very heavy and is causing issues with competing priorities and a constant fire drill feeling.
- We, as the management team, are speaking with a consistent message and voice.
- Weekly Monday morning meetings have been an effective way to keep things rolling and to have a consistent message.
- We started thinking about a new office space and defining what type of design helps facilitate communication between departments.

I attended the NoCo Water Alliance meeting on June 30. There was finally confirmation by all that water leaving northern Colorado is a problem and a decision was made by all attendees to review methods to try to reduce the potential for native waters to leave the northern Colorado area. The group also differentiated between the words preservation and protection to help frame the desire to keep native waters in the region. The next meeting is July 19. If the board would like a presentation by Northern Water on what is happening on the east slope in water purchases, please let me know.

Stan, Rick, Josh, Amanda, and I met on June 5 to discuss Dry Creek Reservoir future operations and concerns from all the parties. It was a great conversation to ensure all parties are on a path forward to consider needs from all.

I attended a meeting at Central Weld County Water District offices on June 13 to review the planning that CWCWD is doing for a new transmission line to run east from the 42-inch transmission line past their new treatment plant location out to Evans. Several entities were in the room that would also be interested in CWCWD's plan for a new treatment plant on CR 42. A separate meeting is scheduled for the treatment plant on July 16. Interested parties potentially include Evans, Milliken, Johnstown, Kersey, Fredrick, and LTWD. CWCWD has hired a firm to help manage the interested parties. There was brief discussion about the pros and cons of creating an authority as opposed to CWCWD being the operator/owner/decision maker.

District Staffing:

LTWD is currently looking for a new GIS Specialist. We have received several applications and are conducting second interviews to ensure soft and hard skills match the needs of the District. IMEG, our GIS consultant firm, has made great strides in correcting some of the problems we are having with the system.

We have had very few applications for the operations manager position.

We have postings up for a Water Resources Specialist and Civil Engineer I. We will be advertising shortly for a backhoe crew leader but are ensuring salary is commensurate with the construction sector. We are also going to be advertising for a customer service representative which was budgeted this year.

Quarterly Goal Update: Below is a status update for all the 2024 goals and their rankings. Decent progress has been made but most will take all year.

Raw Water Supply Planning

- (8) Water loss progress with potential projects, update in policy - *evaluating as time permits*
- (11) New Water Supplies presentations with potential policy updates - *held first presentation, continue quarterly*
- (2) Raw water master plan - *in progress - update next month*

Treatment and Transmission

- (1) Master Plan completion - *in progress*
- (6) Project long term treatment capacity need and priority locations - *will be part of the master plan process*
- (13) Markam Tank Planning including Engineering and Access - *not started, getting quote from Kimley-Horn for design*
- (5) Easement acquisition for Northeast Transmission Line and two native water pipeline projects - *NE Transmission Line - 15 of 22 easements final, right of entry approved on all properties, for Native Water Project - alignments are being evaluated*

Relationships with Others

- (12) A successful Joint Board meeting with CWCWD to include issue discussion and resolution of issues - *DONE!*
- (14) Update the IGA with Longs Peak and Mead after transition of ownership in Mead Crossing - *Not started on IGA but ownership of Mead Crossing officially done.*

Business Management

- (8-tie) Finalize a Development Agreement for use with Developers - *DONE!*
- (4) Prioritize long term projects and evaluate funding options - *will be a part of the master plan*
- (7) Assignment of allotments to all residential taps for implementation of surcharges in 2025 - *postcards went out in February to notify all customers*
- (8-tie) Continue with non-residential allotment assignment - *no progress*

Operations and Technology

- (15) Determine size of office and land required for future growth. - *no progress*
- (3) Finish database for Lead Service Line Inventory prior to October 16 - *notification to customers has begun, potholing contractor selected*

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 7.2 Business Manager's Report

Staff: Angela Diekhoff-Business Manager

Subject: June Board Meeting, Business Manager Report.

Staff Recommendation: For Information.

Discussion:

Board:

Audit has been wrapped up and now we start working on next year's Budget.

Schedule for future Board Meetings

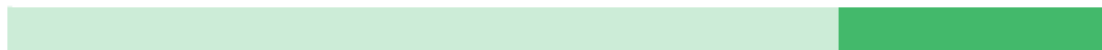
- August - Budget objectives
- September - Budget Review, Proposed Capital Projects, and Non-Operating Expenses
- October - Full Budget Review
- November - Acceptance of the Budget
- December - if needed Acceptance of the 2025 Budget and 2024 Amended Budget

Eye on Water:

Accounts with EyeOnWater

25%

Out of 10,262 Accounts



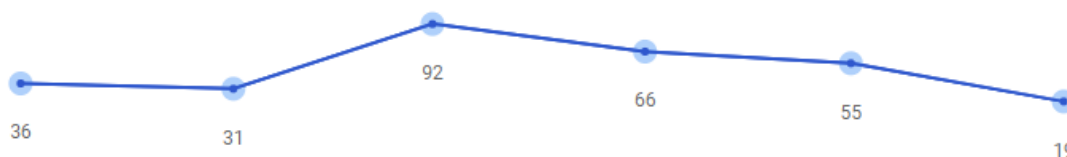
7,721 75%
Without EyeOnWater

2,541 25%
With EyeOnWater

New Sign-ups

299

Sign-ups in Last 6 Months



User Sign-ups Per Month

Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 7.3 District Engineer Report

Staff: Brad Eaton, P.E. - District Engineer

Subject: June Board Meeting, Engineering Report

Staff Recommendation: For Information Only

Discussion:

COMMITMENT TO SERVE REQUESTS: 401 new tap requests and 3 ADU requests for May, bringing the 2024 total to 421 new and 10 ADU's. (2023 TOTAL: 76 new, 14 ADU's).

ONGOING AND 2024 CAPITAL PROJECTS *FUNDED BY BOND PROCEEDS	PROJECT STATUS	BUDGETS TOTAL / 2024 / SPENT TO DATE
*NORTHEAST TRANSMISSION LINE (#70-137-00000)	Progress with easement acquisition continues with 15 of the 22 easements acquired to date. Negotiations continue for the remaining 7 easements.	\$5,400,000 / \$2,583,333 / \$784,674
*LOVELAND / CAMPION CONVERSION PROJECT #1 (#70-139-00000)	Correction of final punch list items are in progress.	\$3,128,000 / \$2,628,000 / \$2,387,483
COUNTY ROAD IMPROVEMENTS (#70-100-00000)	Bridge improvement plans received from Larimer County. Staff has engaged a consultant to develop waterline relocation plans and estimated costs	\$225,000 / \$225,000 / \$0
SCADA IMPROVEMENTS (#70-103-00000)	2024 upgrade projects pending.	\$200,000 / \$200,000 / \$15,099
SMALL LINE IMPROVEMENTS (#70-121-00000)	Ongoing budget item to replace various small waterlines.	\$100,000 / \$100,000 / \$0
DRY CREEK FLOATING PHOTOVOLTAIC FEASIBILITY STUDY (#70-143-00000)	Study complete and presented to the board at the May 2024 meeting. Project determined as not economically viable.	\$70,000 / \$70,000 / \$47,000
WATER SYSTEM MASTER PLAN UPDATE (#53-400-00000)	A preliminary version of the new water model is now complete and ready for calibration testing. Collaboration with Water Resources for future demands continues.	\$150,000 / \$75,000 / \$38,865
H2 AND RFO RAW WATER INFRASTRUCTURE (#73-104-41003), (#73-105-00000)	Environmental evaluation, alignment study and property owner discussions continue.	TBD / \$1,125,000 / \$262,664
2 nd USE INFRASTRUCTURE STUDY (73-106-00000)	Solicit proposals from consultants – Pending.	\$120,000 / \$120,000 / \$0
3 RD AND WELKER – MEAD (#70-147-00000)	Material delays have pushed the construction start to late July.	\$400,000 / \$400,000 / \$93,179
BUCKHORN TANK MIXING SYSTEM STUDY (#70-146-00000)	Study is substantially complete Consultant recommendations presented to staff on 6/13 and are being reviewed internally.	\$45,000 / \$45,000 / \$0
TWIN MOUNDS PASSIVE MIXING SYSTEM (#70-145-00000)	Meeting set with potential contractor in late June	\$249,700 / \$249,700 / \$0
TWIN MOUNDS EXTERIOR CATHODIC PROTECTION (#70-150-00000)	Contractor selected. Waiting for updated quote.	\$87,000/ \$87,000/ \$0
WATER EFFICIENCY / WATER LOSS (70-151-00000)	Scope to be determined – pending.	\$500,000/ \$500,000 /\$0

ONGOING AND 2024 CAPITAL PROJECTS *FUNDED BY BOND PROCEEDS	PROJECT STATUS	BUDGETS TOTAL / 2024 / SPENT TO DATE
30-INCH BAREFOOT LINE REIMBURSEMENT (#70-152-00000)	Biweekly design meetings with contractor, engineer and Brookfield continue. Construction may begin in late 2024 or early 2025.	TBD/ \$310,000/ \$0
SECURITY LIGHTING AND CAMERAS AT TANK SITES (#70-170-00000)	Test units purchased and testing pending.	\$17,600/ \$17,600/ \$0
NEW STORAGE BUILDING AT DRY CREEK (#72-131-00000)	Builder selected, waiting for updated quote.	Joint Expense \$61,000 – LTWD Portion
NEW BOAT FOR DRY CREEK SAMPLING (#72-131-00000)	Boat, motor and trailer selected, purchase pending.	Joint Expense \$7,500 – LTWD Portion
BOTTERILL / LTWD SYSTEM MODS. (#70-149-00000)	Railroad not responsive to continued communication attempts. Legal counsel engaged for recommendations on next steps.	\$48,070 / \$48,070 / \$5,000

New Development Projects: Haley Farms (400 Residential Lots plus Commercial).

Active Development Name	Lots / type of development	Status
Access 25 South	9 Commercial	Beginning Mead's entitlement process
Barefoot Lakes Filing 7	238 Residential	In design.
Range View Estates	75 Residential	Final acceptance pending.
Home Depot Distribution Center	Industrial / Commercial	Final acceptance pending.
Horizon Hills Offsite	Offsite 16-inch waterline	Final acceptance issued.
Horizon Hills	269 Residential (modular)	Final acceptance issued for Phase 1
Red Barn	457 Residential	Final acceptance issued for Phases A1, and A1-A
Elevation 25 (Formerly Mann Farms)	7 Commercial	Final acceptance issued Phase 1.
Gopher Gulch RV Park	145 RV spaces	Final acceptance pending.
QuikTrip	1 Commercial I	Final acceptance issued. Facility is open.
Barefoot Offsite Ronald Reagan Phase 3	Offsite for Residential	Under construction.
Mountain View Estates	3 Lot Residential	Design approved. No recent activity.
Hawks Ridge Subdivision	120 Residential plus commercial	Design approved. No recent activity.
Mead Place	313 Residential, Multifamily and Commercial	Design approved. Becoming active.
Waterfront	1,800 Residential plus Commercial	Revised commitment letter issued. Development agreement in progress.
Meadow Ridge	958 Single Family Equivalent (SFE) - Residential and Commercial	In final design.
Club Carwash	1 Commercial	Initial acceptance issued.
RV Retreat	Residential (Expansion)	In design
Buffalo Highlands	1,269 Lot Residential Plus Commercial	In design
Root Shoot Malting – Facility Expansion	Commercial	Phase 2 in design.
Mead Village	96 Residential	Becoming active.
Raterink Lot 2	1 Commercial	Becoming active
Grand Meadow (aka Douthit)	400 Residential	Becoming active.
Turion - Revised	3,660 Residential plus commercial - total buildout.	No current activity.
Schulz Property	Single Industrial Lot	Commitment letter issued. No activity
Lemmon Family Trust Conservation	45 Residential Lots	In design.
Flying J Truckstop	1 Commercial	No current activity
Pond Farm Conservation	9 Residential Lots	Final acceptance pending.
Harley Farms	400 Residential Lots plus commercial	Beginning Mead's entitlement process. Commitment letter in process.

Other:

1. We have interviewed several GIS candidates and have shortlisted two candidates for second interviews.
2. We also have job advertisements posted for a Civil Engineer-1 and a Water Resource Specialist.
3. The LSLI project is progressing well thanks to the great efforts of several staff members. The potholing contractor is scheduled to start on July 15 and will mobilize several crews as necessary to meet the August 30 field work deadline.

Agenda Item Summary

Little Thompson Water District

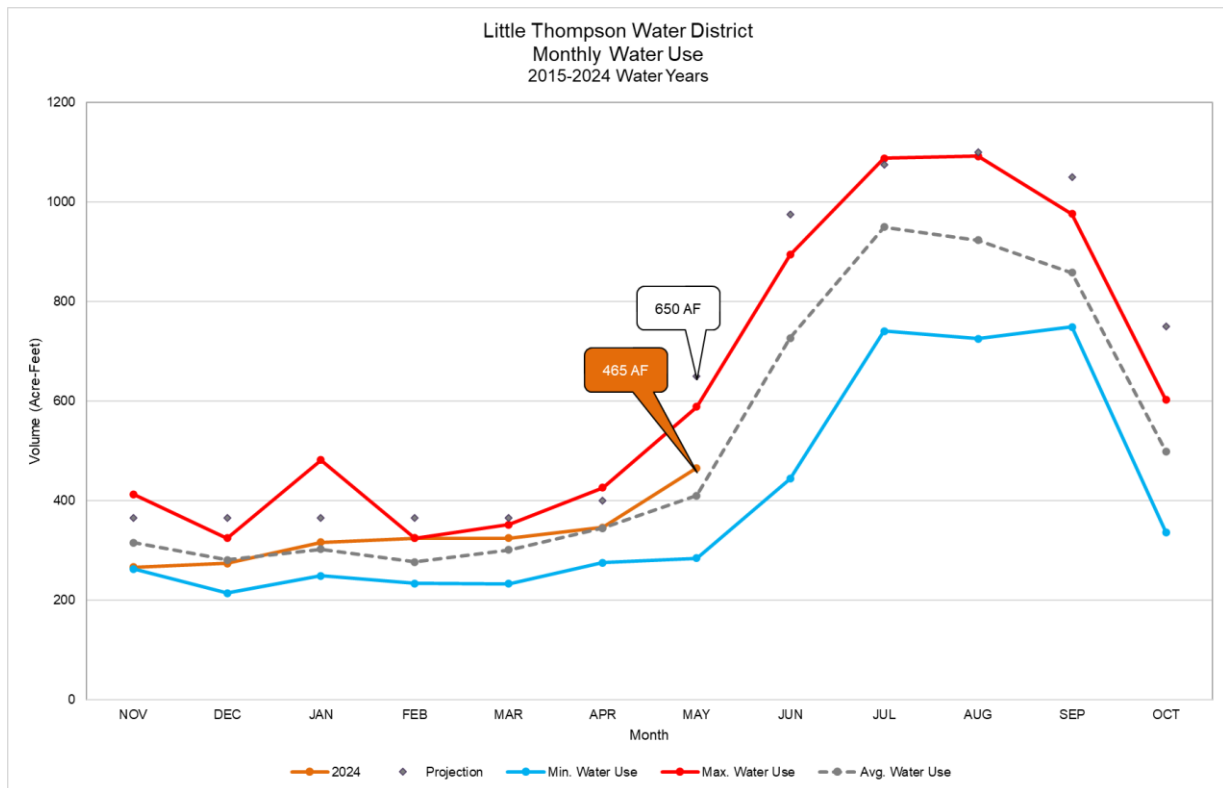
Date: May 16, 2024

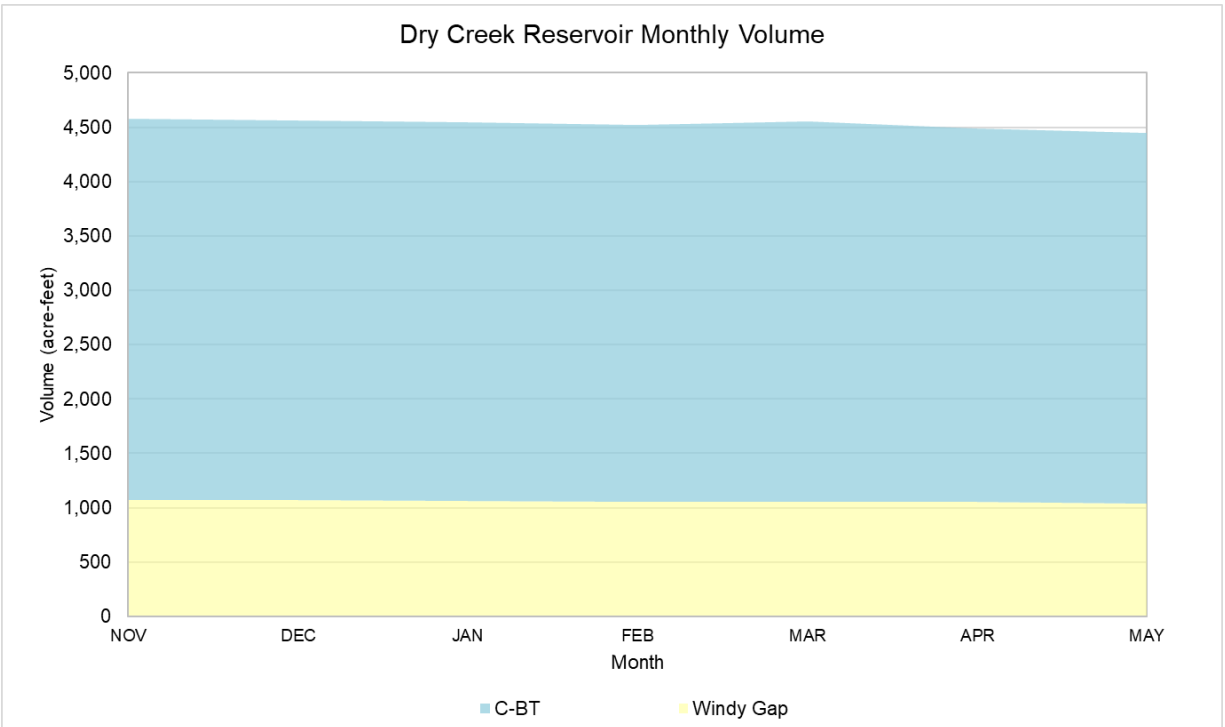
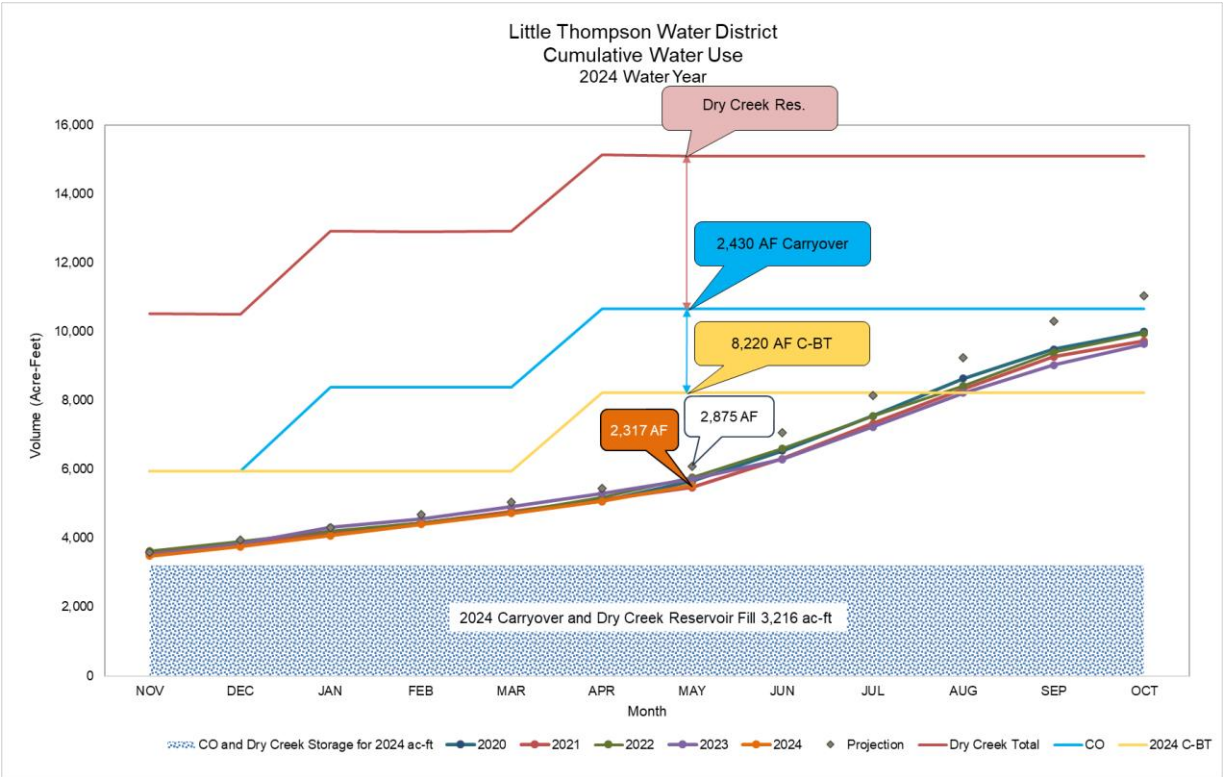
Item: 7.4 Water Resources Managers Report

Staff: Amanda Hoff, Water Resources Manager

Subject: May Water Use

Staff Recommendation: Information Only



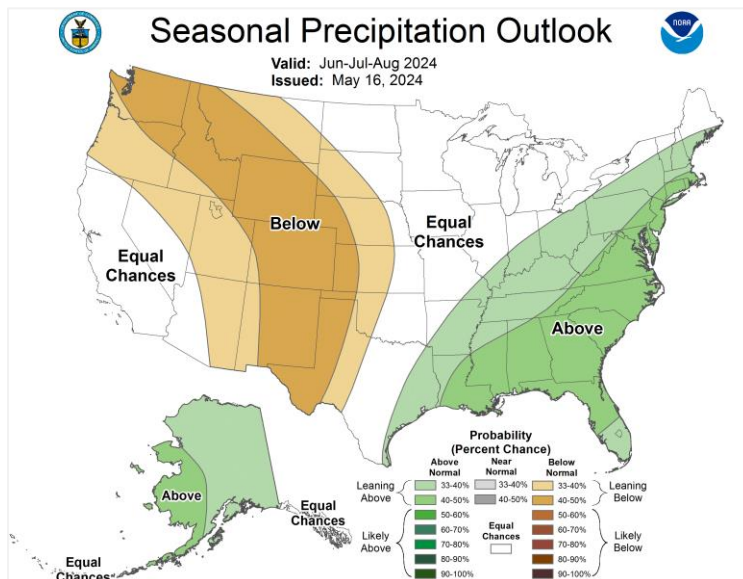
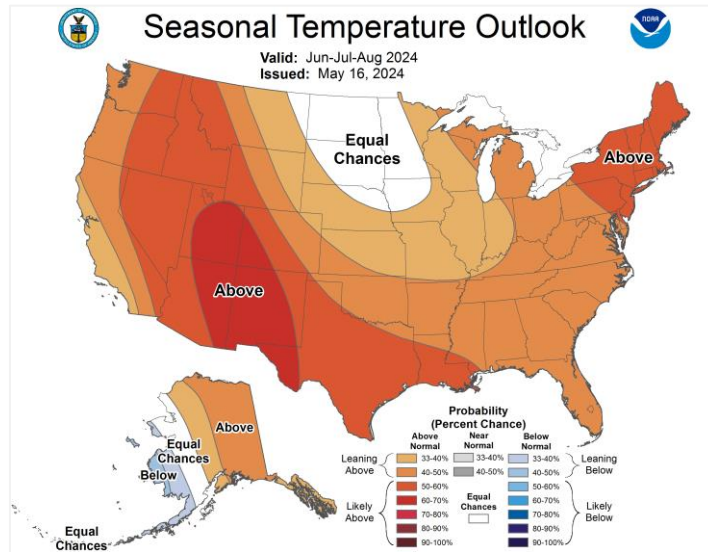


Community Outreach

CREW
NORTHERN COLORADO

CRE SPECIALTIES
Our members represent every discipline of the CRE industry including:

- Law
- Finance
- Brokerage
- Property/Facility Management
- Marketing/Business Development
- Construction
- Architecture
- Commercial Lending
- Real Estate Development
- Engineering



Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 7.5

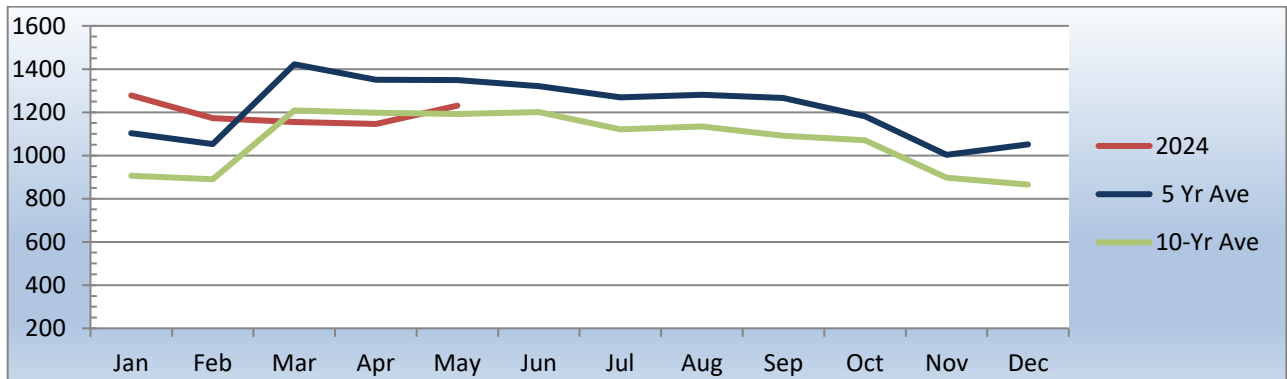
Staff: VACANT, Operations Manager

Subject: Operations and Water Quality Report

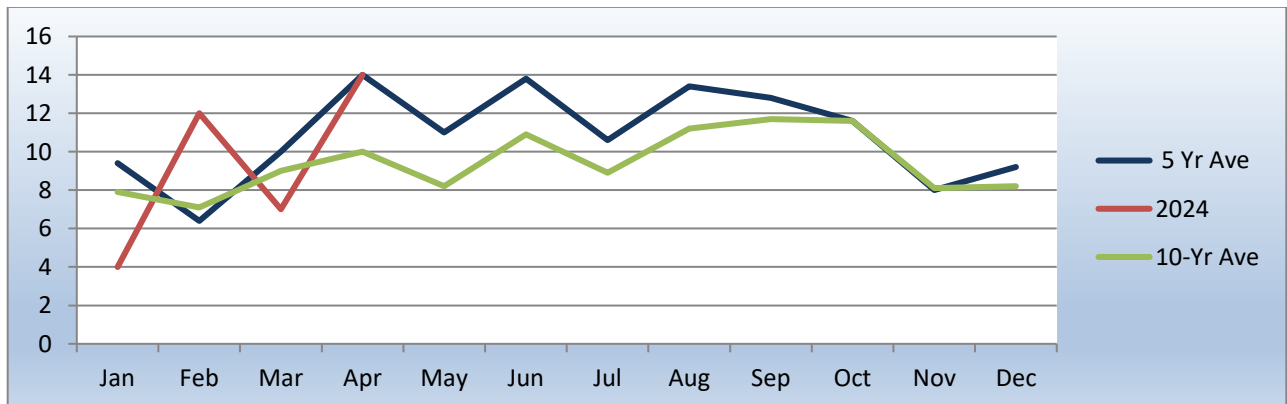
Staff Recommendation: For Informational Purposes

Discussion: Information for the Board of Directors

Locate Requests:



Leak Repairs:



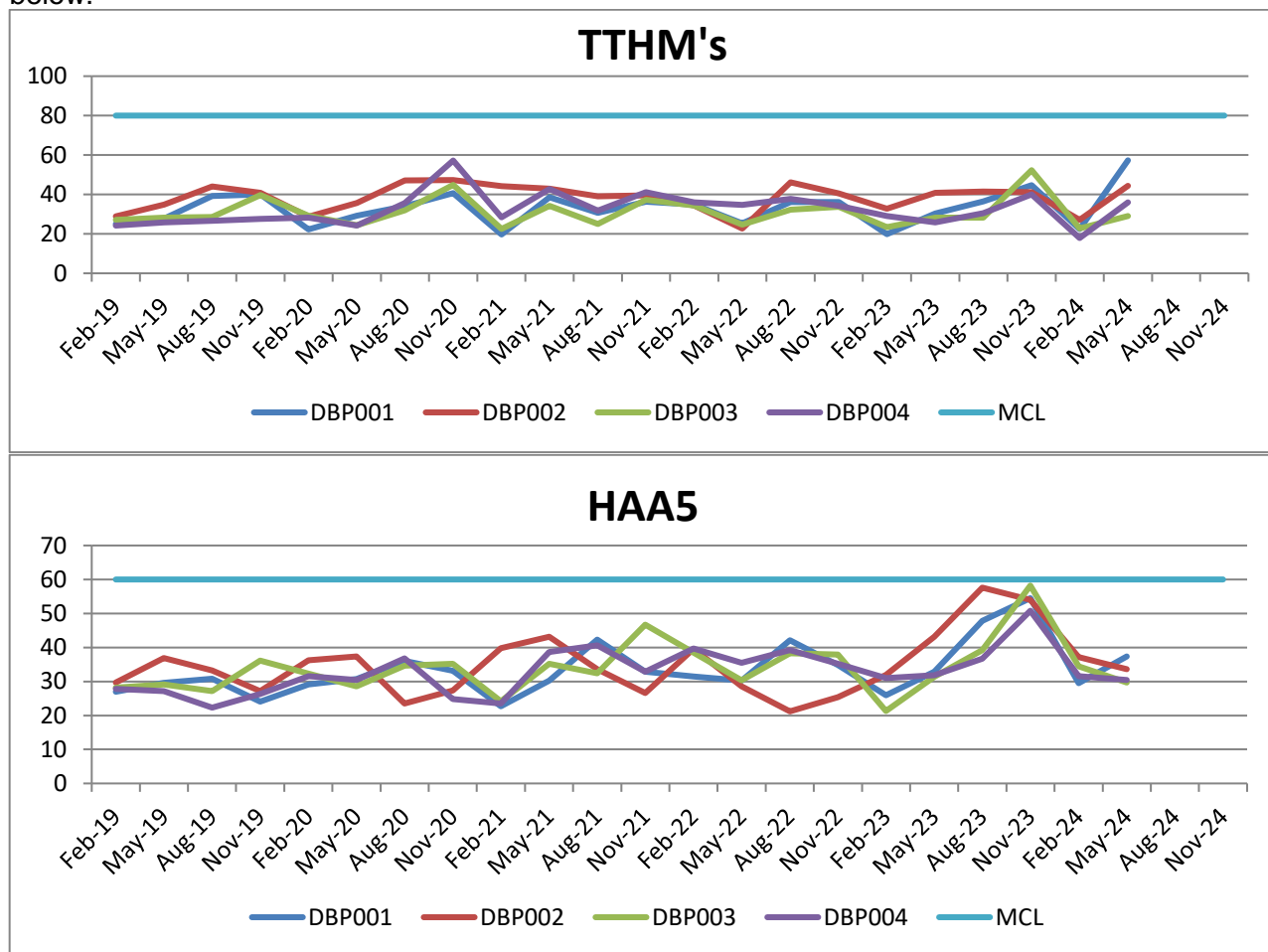
Monthly Water Quality Report

Monthly Water Quality Samples:

Monthly Total Coliform samples were within acceptable parameters.

Disinfection By Products Sampling:

Samples were taken in May. Results are within acceptable parameters. Trends are shown below.



UCMR5 Sampling:

As mentioned last month, we tested above the reporting limit for PFOA in the third quarter sample taken in May. The EPA has issued a ruling regarding limits for PFAS as shown in the following table. Quarterly sampling will be required for LTWD for at least three additional years. There is no violation unless the running annual average (RAA) exceeds the reporting limit. If that limit is exceeded, we will be required to make treatment modifications to remove the constituent by April 2029. It is something to be aware of as the cost implications can be large for the additional treatment. We will be evaluating our sampling procedures to reduce the potential for sampling to cause any contamination.

Analyte	Reporting Limit	Units	2023 Q4	2024 Q1	2024 Q2	2024 Q3	RAA (avg.)	RAA (ppt)
Perfluorooctanoic acid (PFOA)	0.0040	ug/L	<0.0040	<0.0038	0.0048		0.001200	1.20
Perfluorononanoic acid (PFNA)	0.0040	ug/L	<0.0040	<0.0038	<0.0040		0.000000	0.00
Perfluorohexanesulfonic acid (PFHxS)	0.0030	ug/L	<0.0030	<0.0028	<0.0030		0.000000	0.00
Perfluorooctanesulfonic acid (PFOS)	0.0040	ug/L	<0.0040	<0.0038	<0.0040		0.000000	0.00
Hexafluoropropylene Oxide Dimer Acid (HFPO-DA)	0.0050	ug/L	<0.0050	<0.0047	<0.0050		0.000000	0.00
Perfluorobutanesulfonic acid (PFBS)	0.0030	ug/L	<0.0030	<0.0028	<0.0030		0.000000	0.00

Lead and Copper Sampling:

Samples will be taken later this year.

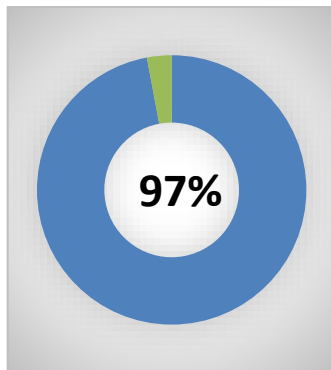
Customer Water Quality Work Orders:

Created Date	Service Order Number	Customer Number	Service Address	City	Description
05/06/2024	23861	1490.01	21692 WC 21	MILLIKEN	Cloudy Dirty dirty water. after line break cust complained on dirt in kitchen sink. LTWD Ron cleaned cust aerator in sink and took meter head off for weekend for cust to flush their line.
05/28/2024	24019	4603.01	1060 E 6C	BERTHOUD	Taste & Odor TASTE/ODOR - recent leak repair in the area, customer said water has had a bad taste since then. no discoloration to water LTWD Todd M: CL .5 PH 7.3 took head off meter for 3 days for cust to flush.
05/31/2024	24044	3154.02	4809 GARY DR	BERTHOUD	Taste & Odor TASTE/ODOR - customer said that she has noticed an odd taste for the last couple of weeks, also said it smells "boggy", no discoloration, said that it is all water in the home. Also stated that people have been posting on Next Door about it as well. LTWD Todd M: spoke with customer. she flush her line as instructed by the front office. cust states no more tast and water is cooler.

Project Updates and Notes:

Valve Exercising:

6,433 valves have been exercised out of a total of 6,564. (no new valves have been exercised as the staff doing this work has been temporarily assigned to the backhoe crew.)



Agenda Item Summary

Little Thompson Water District

Date: June 20, 2024

Item: 7.6 Business Project Manager Report

Staff: Kammy Tinney, Business Project Manager

Subject: June Board Meeting – Business Project Manager Report

Staff Recommendation: Information Only

Discussion:

Lead Service Line Investigation – Project Update

Based on the limited response received to communications to over 200 of the 314 customers identified as sites requiring verification, our team requested and received approval from CDPHE for a variance in the distance required for potholing of service lines extending from the meter pit. The variance allows the District to access the service line within the 3-foot radius already accounted for in each customer's DWA therefore allowing the District to accelerate the potholing process on either side of the meter pit. Customers continue to have the opportunity to submit a survey which, if the material can be verified, could eliminate the need for potholing on the service side of the line. The District's contractor will begin the potholing process the week of July 15.

The team revisited the District's public outreach communications and efforts to reflect the shift in approach and the revised schedule.

Phase I of the LSLI Project will continue for the next three months with conclusion of the first inventory report and Lead Service Line Replacement Plan due to CDPHE on October 16, 2024. Phase II of the LSLI Project includes notification to customers of service line material and the execution of a replacement program. We will continue to provide periodic updates to the Board as the project progresses.

Policies and Procedures

Documentation of internal policies and procedures is a high priority activity with emphasis on the policies and procedures for responding to requests for new services. Processes reviewed and documented to date include Accounts Payable Procedures, Commitment Letter Process, Water Dedication, and Water Credit. Current procedures under review/revision are the Development Process, Section 8 Rules and Regulations, Section 17 Rules and Regulations, and Non-Potable Water (Irrigation) System Procedures.

Safety Committee

The District's Safety Committee was reestablished in late 2023 with a successful handoff from outgoing members Holly Suess and Steve Schaeffer. The newly constituted committee includes representatives from each department for a total of seven (7) members. The main focus of the committee in 2024 is continued education with monthly safety trainings, review and comment for revisions to the current Safety Manual, establishing safety participation incentives, and annual update to the District's Emergency Response Plan.