



Little Thompson Water District

Financial Statements and Supplementary Information

For the Years Ended December 31, 2021 and 2020

Little Thompson Water District

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Independent Auditor's Report

Board of Directors
Little Thompson Water District
Berthoud, Colorado

Opinions

We have audited the basic financial statements of the Little Thompson Water District (the District), as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Little Thompson Water District as of December 31, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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



intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing



procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BDO USA, LLP

September 1, 2022

**Little Thompson Water District
Management's Discussion and Analysis
For the Years Ended December 31, 2021, and 2020**

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 2021 activities, resulting changes, and currently known facts and conditions, it should be read in conjunction with the District's basic financial statements.

Financial Highlights 2021 compared to 2020

- Total operating revenues were \$11,113,949, an increase of \$529,330.
- Total operating expenses were \$9,893,165, an increase of \$278,232.
- Total debt service principal and interest were \$2,339,238 an increase of \$387,925.
- Total non-operating revenues and cash capital contributions were \$8,064,432, an increase of \$1,883,727.
- Total capital improvement, including water right purchases were \$7,785,284, an increase of \$1,978,495.
- The total expenditures \$17,918,980, an increase of \$2,496,857.
- Principal paid on long term debt was \$1,126,564 a decrease of \$345,852.
- Long-term debt decreased to \$27,894,776.
- Net capital assets were \$154,322,476, an increase of \$7,645,587.

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.

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 to 28.

**Little Thompson Water District
Management's Discussion and Analysis
For the Years Ended December 31, 2021, and 2020**

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 non-operating revenues and expenses. Operating expenses include all operational costs of the District including depreciation and impairment loss. 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.

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.

**Little Thompson Water District
Management's Discussion and Analysis
For the Years Ended December 31, 2021, and 2020**

**Condensed Comparative of Financial Information
Statements of Net Position**

	2021	2020	2019
Assets			
Current Assets	\$14,809,728	\$15,761,243	\$12,688,983
Restricted Assets	29,116,202	27,937,676	1,757,350
Capital Assets, net	191,554,640	154,322,476	148,305,956
Other Assets	3,090,654	3,269,178	3,396,793
Total Assets	238,571,224	201,290,573	166,149,082
Deferred Outflows of Resources			
Unamortized Deferred Loss on Bond Refunding	39,785	53,506	69,166
Liabilities			
Current Liabilities	2,109,664	2,835,312	2,263,662
Long-Term Liabilities	31,162,096	32,689,058	6,832,025
Total Liabilities	33,271,760	35,524,370	9,095,687
Net Position			
Net Investment in Capital Assets	186,008,604	147,124,920	140,661,830
Restricted:			
Bond and Loan Reserve	2,589,662	937,676	1,757,350
Unrestricted	16,740,983	17,757,113	14,703,381
Total Net Position	\$205,339,249	\$165,819,709	\$157,122,561

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

	2021	2020	2019
Operating Revenues	\$11,113,949	\$10,584,619	\$8,867,201
Less: Operating Expenses	(7,794,457)	(7,664,021)	(7,038,037)
Less: Depreciation	(2,098,707)	(1,950,912)	(1,781,066)
Operating Income	1,220,785	969,686	48,098
Non-Operating Revenues (Expenses)	(817,416)	(104,728)	7,908
Net Income before Contributions	403,369	864,958	56,006
Contributed Capital	39,116,173	7,832,190	17,649,079
Change in Net Position	39,519,542	8,697,148	17,705,085
Net Position Beginning of Year	165,819,709	157,122,561	139,417,476
Net Position, End of Year	\$205,339,251	\$165,819,709	\$157,122,561

**Little Thompson Water District
Management's Discussion and Analysis
For the Years Ended December 31, 2021, and 2020**

**Condensed Comparative of Financial Information
Statements of Cash Flows**

	2021	2020	2019
Cash from Operating Activities	\$2,183,962	\$3,175,145	\$1,937,684
Cash from Non-Capital Financing Activities	205,997	261,547	210,354
Cash from Capital and Related Financing Activities	(2,546,560)	25,961,809	(4,542,455)
Cash from Investing Activities	(6,421,779)	(22,774,552)	(184,015)
Net Change in Cash and Cash Equivalents	(6,578,380)	6,623,949	(2,578,432)
Cash and Cash Equivalents at Beginning of Year	8,658,340	2,034,391	4,612,823
Cash and Cash Equivalents at End of Year	2,079,960	\$8,658,340	\$2,034,391

Analysis of Financial Position and Operating Results

Tap sales and water rights were \$7,754,248, which is 68% more than budgeted.

Capital assets increased by \$7,645,587 in 2021, due to more system upgrades, water right purchases, contributed capital and the contribution of water rights.

Operating revenue was \$11,113,948, which is 2% more than budget due to water sales higher than projected.

Earnings on investments decreased by \$122,376 because of a decrease in the earnings rate.

**Little Thompson Water District
Management's Discussion and Analysis
For the Years Ended December 31, 2021, and 2020**

**Schedule of Revenues and Expenditures
Budget to Actual (Budgetary Basis)
Year Ended December 31, 2021**

Revenues	Final Budget	Actual	Variance	2020
Operating	\$10,893,977	\$11,113,948	(\$219,971)	\$10,584,619
Non-Operating	1,108,700	310,184	798,516	509,158
Tap Fee/Water Rights	2,454,000	7,754,248	(5,300,248)	5,671,547
Debt Proceeds			0	22,785,000
Total Revenues	\$14,456,677	\$19,178,380	(\$4,721,703)	\$39,550,324
Distribution	1,114,750	1,098,631	16,119	1,111,372
Administration	743,677	716,622	27,055	788,264
Engineering	162,000	74,843	87,157	40,248
Employee Costs	3,797,319	3,793,620	3,699	3,681,597
CLFP & Joint Costs	1,308,019	1,266,940	41,079	1,290,940
Water Assessments	783,021	841,893	(58,872)	739,100
St. Vrain Authority	30,000	1,909	28,091	12,500
Debt Service	2,300,355	2,339,238	(38,883)	1,951,313
Capital Improvements	12,254,290	7,785,284	4,469,006	5,806,789
Total Expenses	\$22,493,431	\$17,918,980	\$4,574,451	\$15,422,123
Excess (deficiency)	(\$8,036,754)	\$1,259,400	(\$9,296,154)	\$24,128,201

Total revenue was more than the final budgeted amount by \$4,721,703.

Total expenditures were less than the final budget amount by \$4,574,451; which includes capital expenditures which were \$4,469,006 of the total.

Additional explanations to follow with the changes from 2021 from 2020:

- Distribution costs decreased in 2021 by \$12,741.
- Administration and general expense decreased in 2021 by \$71,642.
- Engineering expenses increased in 2021 by \$34,595, driven generally by more water conservation programs and overall engineering expenses.
- Employee costs decreased in 2021 by \$112,023, due to a change in the administration department.
- Carter Lake Filter Plant and Dry Creek Reservoir joint operations decreased by \$24,000.
- Water assessments and rentals increased by \$102,793 due to per unit cost from Northern Colorado Water Conservancy District and fewer water rental from other entities.
- Total capital expenditures increased from 2020 by \$1,978,495, due to finishing the Beacon Project early, and more capital projects.

**Little Thompson Water District
Management's Discussion and Analysis
For the Years Ended December 31, 2021, and 2020**

Major additions in 2021:

- The District acquired by purchased, 20 units of C-BT Water for \$1,210,000, and 2 shares of Consolidated Home Supply Ditch for \$700,000.
- We received \$312,995 for Tap Installation Revenue and we expended \$217,934 on new service connections.
- The District shared in the cost of upgrades to Carter Lake North, membrane replacement and construction of a7MG water tank for a cost of \$2,101,739.
- We spent \$136,642 Vehicle replacements and Equipment purchases and we disposed of \$29,253 in Vehicles and Equipment.
- We spent \$2,176,178 on the Beacon Meter Upgrade.
- We added \$2,098,707 in distribution system upgrades through district capital projects as well as developer contributed capital projects.

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 Authority.

Economic and Other Factors

Overall, retail water revenues increased in 2021 primarily due to higher customer numbers and continued warm summer temperatures resulting in more outdoor water usage. District management utilizes a forecasting program to develop rates and fees that will ensure the District remains a financially sound entity. There was a significant amount of growth throughout the District and in Larimer, Weld, and Boulder counties in 2021. 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, Larimer, Weld, and Boulder Counties. Each of these governmental entities control growth in the areas under their governments and the policies and procedures are outside the control or influence of the District.

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.

Basic Financial Statements

Little Thompson Water District

Statements of Net Position

December 31,	2021	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 2,079,960	\$ 8,658,340
Investments	11,513,857	6,179,011
Receivables	938,200	668,819
Prepaid items	24,703	24,658
Inventories	253,008	230,415
Total current assets	14,809,728	15,761,243
Non-current assets		
Restricted assets		
Cash and cash equivalents	17,260,614	27,937,676
Investments	11,855,588	-
Capital assets		
Distribution system	78,061,585	72,370,026
Carter Lake Filter Plant improvements	11,190,325	10,416,818
Dry Creek reservoir dam	7,432,221	7,432,221
Buildings and improvements	1,547,633	1,547,633
Vehicles and equipment	2,918,025	2,688,643
Intangible assets	202,012	184,882
Total depreciable assets	101,351,801	94,640,223
Less: accumulated depreciation	(35,821,408)	(33,650,568)
Total depreciable assets, net	65,530,393	60,989,655
Land, easements and reservoir	7,322,437	7,322,437
Water rights	107,102,679	78,724,946
Construction in progress	11,599,131	7,285,438
Total capital assets, net	191,554,640	154,322,476
Other assets		
Investment in joint venture	3,090,654	3,269,178
Total non-current assets	223,761,496	185,529,330
Total assets	238,571,224	201,290,573
Deferred outflows of resources		
Unamortized deferred loss on refunding	39,785	53,506
Total deferred outflows of resources	39,785	53,506

(Continued).

Little Thompson Water District
Statements of Net Position
(Continued)

<i>December 31,</i>	2021	2020
Liabilities		
Current liabilities		
Current portion of bonds and notes payable	1,281,619	1,126,564
Accounts payable	682,686	1,571,761
Accrued wages payable	133,376	125,004
Accrued interest expense	11,983	11,983
Total current liabilities	2,109,664	2,835,312
Non-current liabilities		
Accrued compensated absences	331,354	299,378
Bonds and notes payable, net of current portion	30,830,742	32,389,680
Total non-current liabilities	31,162,096	32,689,058
Total liabilities	33,271,760	35,524,370
Net position		
Net investment in capital assets	186,008,604	147,124,920
Restricted:		
Debt service and loan reserves	2,589,662	937,676
Unrestricted	16,740,983	17,757,113
Total net position	\$ 205,339,249	\$ 165,819,709

The accompanying notes are an integral part of the financial statements.

Little Thompson Water District

Statements of Revenues, Expenses and Changes in Net Position

<i>For the Years Ended December 31,</i>	2021	2020
Operating revenues		
Water sales - treated	\$ 10,991,800	\$ 10,488,390
Service and other revenue	122,148	96,229
Total operating revenues	11,113,948	10,584,619
Operating expenses		
Distribution	1,098,631	1,111,372
Administration and general	716,622	788,264
Engineering	74,843	40,248
Employee costs	3,793,620	3,681,597
Carter Lake Filter Plant and Dry Creek Reservoir operating expenses	1,266,940	1,290,940
St. Vrain Authority	1,909	12,500
Water assessments and rentals	841,893	739,100
Depreciation	2,098,707	1,950,912
Total operating expenses	9,893,165	9,614,933
Operating income	1,220,783	969,686
Nonoperating revenues (expenses)		
Grant revenue	68,091	3,500
Earnings on investments	91,593	213,969
Gain on sale of capital assets	12,594	33,642
Mineral lease revenue	1,542	987
Miscellaneous	136,364	257,060
Equity in net loss from joint venture	(178,524)	(127,615)
Interest expense	(949,076)	(208,722)
Debt issuance costs	-	(277,549)
Total nonoperating revenues (expenses)	(817,416)	(104,728)
Net income before contributions	403,367	864,958
Capital contributions	39,116,173	7,832,190
Change in net position	39,519,540	8,697,148
Net position at beginning of year	165,819,709	157,122,561
Net position at end of year	\$ 205,339,249	\$ 165,819,709

The accompanying notes are an integral part of the financial statements.

Little Thompson Water District

Statements of Cash Flows

<i>For the Years Ended December 31,</i>	2021	2020
Cash flows from operating activities:		
Cash received from customers	\$ 10,844,567	\$ 10,981,513
Cash paid to suppliers	(4,866,985)	(4,124,771)
Cash paid to employees	(3,793,620)	(3,681,597)
Net cash flows from operating activities	2,183,962	3,175,145
Cash flows from noncapital financing activities:		
Mineral lease revenue	1,542	987
Other non-operating revenues	136,364	257,060
Federal and state grant revenue	68,091	3,500
Net cash flows from noncapital financing activities	205,997	261,547
Cash flows from capital and related financing activities:		
Contributed capital	7,754,248	5,671,547
Acquisition and construction of capital assets	(7,974,164)	(5,071,971)
Proceeds from disposition of capital assets	12,594	33,642
Proceeds from long-term debt	-	27,279,903
Principal paid on long-term debt	(1,126,564)	(1,472,416)
Interest paid	(1,212,674)	(201,347)
Debt issuance costs	-	(277,549)
Net cash flows from capital and related financing activities	(2,546,560)	25,961,809
Cash flows from investing activities:		
Earnings on investments	45,947	162,242
Purchase of investments	(17,171,184)	(2,612,793)
Proceeds from sale of investments	26,396	5,856,325
Net change in cash and cash equivalents restricted for debt service and loan reserves	10,677,062	(26,180,326)
Net cash flows from investing activities	(6,421,779)	(22,774,552)
Net change in cash and cash equivalents	(6,578,380)	6,623,949
Cash and cash equivalents at beginning of year	8,658,340	2,034,391
Cash and cash equivalents at end of year	\$ 2,079,960	\$ 8,658,340

(Continued).

Little Thompson Water District
Statements of Cash Flows
(Continued)

<i>For the Years Ended December 31,</i>	2021	2020
Reconciliation of operating income to net cash flows from operating activities:		
Operating income	\$ 1,220,783	\$ 969,686
Adjustments to reconcile operating income to net cash flows from operating activities:		
Depreciation	2,098,707	1,950,912
Changes in operating assets and liabilities:		
Receivables	(269,381)	396,894
Prepaid items	(45)	(2,334)
Inventories	(22,593)	(34,676)
Accounts payable	(883,857)	(96,908)
Accrued wages payable	8,372	(41,660)
Accrued compensated absences	31,976	33,231
Net cash flows from operating activities	\$ 2,183,962	\$ 3,175,145
Noncash investing, capital and financing activities:		
Net (loss) from joint venture	\$ (178,524)	\$ (127,615)
Capital assets acquired with contributed capital	\$ 31,361,925	\$ 2,160,643
Capital assets acquired with accounts payable	\$ (5,218)	\$ 734,818
Amortization of bond premiums	\$ 277,319	\$ 4,536
Amortization of deferred loss on refunding	\$ (13,721)	\$ (15,660)

The accompanying notes are an integral part of the financial statements.

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

1. Summary of Significant Accounting Policies

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.

Basic Financial Statements

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. 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.

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

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.

The following is a summary of the original budget, total revisions, and revised budget for fiscal year 2021:

	Original Budget	Total Revisions	Revised Budget
Enterprise fund expenses	\$ 22,493,431	\$ -	\$ 22,493,431

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.

Investments

Investments, consisting of certificates of deposit with original maturities of greater than three months are measured at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

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, 2021 or 2020, based on historical collection experience, and the ability to place liens on property.

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

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 \$194,067 and \$164,798, at December 31, 2021 and 2020, 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 historical cost or estimated historical cost if actual historical 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:

Description	Estimated Lives
Water rights	N/A
Land, easements, and Dry Creek Reservoir	N/A
Construction in progress	N/A
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

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

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 \$3,090,654 and \$3,269,178 at December 31, 2021 and 2020, 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 Issuance Costs

Debt issuance costs are recognized as an expense during the period of issuance.

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.

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, 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 reduce this category.

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restriction 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.

2. Cash and Investments

Deposits

Colorado state statutes govern the entity's deposits of cash. For deposits in excess of federally insured limits, CRS require the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act ("PDPA") requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the federal insurance levels to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the State. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits. At December 31, 2021 and 2020, the District had deposits with a financial institution with a carrying amount of \$11,189,955 and \$7,520,698, respectively. The bank balances with the financial institution were \$11,265,314 and \$7,519,688, respectively. Of these amounts, \$391,803 and \$250,000, respectively, was covered by federal depository insurance. The remaining balances of \$10,873,511 and \$7,269,688, respectively, were collateralized with securities held by the financial institutions' agents but not in the District's name.

At December 31, 2021 and 2020, the District had cash and cash equivalents balances as follows (includes restricted cash):

	2021	2020
Cash on hand	\$ 400	\$ 400
Bank deposits	17,260,214	7,520,698
Local government investment pool	2,079,960	29,074,918
Total	\$ 19,340,574	\$ 36,596,016

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

Cash and cash equivalents balances are reflected on the statement of net position at December 31, 2021 and 2020, as follows:

	2021	2020
Cash and cash equivalents	\$ 2,079,960	\$ 8,658,340
Restricted cash and cash equivalents	17,260,614	27,937,676
Total	\$ 19,340,574	\$ 36,596,016

Local Government Investment Pool

At December 31, 2021 and 2020, the District had invested \$2,079,960 and \$29,074,918, 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 two portfolios, COLOTRUST PRIME and 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.

Investments

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

- Certificates of deposit with an original maturity in excess of three months
- Certain obligations of the United States and U.S. Government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- 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.

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

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, 2021 and 2020, all of the District's investments, consisting of certificates of deposit with an original maturity in excess of three months, were categorized as level 2 with a fair value of \$29,429,704 and \$6,179,011, respectively. The weighted average maturity of the certificates of deposit at December 31, 2021 was .71 years.

Interest Rate Risk

The District has a formal written investment policy that limits on 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.

3. Restricted Assets

Amounts shown as restricted cash and cash equivalents have been restricted by bond indentures to be used for specified purposes. The balance restricted as of December 31, 2021 and 2020, was \$29,116,202 and \$27,937,676, respectively, for operations and maintenance and unspent bond proceeds.

4. Receivables

Receivables at December 31, 2021 and 2020, consisted of the following:

	2021	2020
Water service	\$ 463,600	\$ 426,769
Unbilled accounts receivable	194,067	164,798
Miscellaneous	280,533	77,252
Total	\$ 938,200	\$ 668,819

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

5. Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Capital assets, not being depreciated:				
Water rights	\$ 78,724,946	\$ 28,377,733	\$ -	\$107,102,679
Land and easements	1,028,821	-	-	1,028,821
Dry Creek Reservoir	6,293,616	-	-	6,293,616
Construction in progress	7,285,438	4,497,355	(183,662)	11,599,131
Total capital assets, not being depreciated	93,332,821	32,875,088	(183,662)	126,024,247
Capital assets, being depreciated:				
Distribution system	72,370,026	5,507,897	183,662	78,061,585
Carter Lake Filter Plant improvements	10,416,818	773,507	-	11,190,325
Dry Creek Reservoir Dam	7,432,221	-	-	7,432,221
Buildings and improvements	1,547,633	-	-	1,547,633
Vehicles and equipment	2,688,643	157,249	72,133	2,918,025
Intangible assets	184,882	17,130	-	202,012
Total capital assets, being depreciated	94,640,223	6,455,783	255,795	101,351,801
Less accumulated depreciation for:				
Distribution system	(28,366,451)	(1,429,041)	-	(29,795,492)
Carter Lake Filter Plant improvements	(2,245,779)	(257,004)	-	(2,502,783)
Dry Creek Reservoir Dam	(891,867)	(74,322)	-	(966,189)
Buildings and improvements	(526,852)	(42,823)	-	(569,675)
Vehicles and equipment	(1,492,197)	(275,855)	(72,133)	(1,840,185)
Intangible assets	(127,422)	(19,662)	-	(147,084)
Total accumulated depreciation	(33,650,568)	(2,098,707)	(72,133)	(35,821,408)
Total capital assets, being depreciated, net	60,989,655	4,357,076	183,662	65,530,393
Total capital assets, net	\$ 154,322,476	\$ 37,232,164	\$ -	\$191,554,640

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

Capital asset activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Water rights	\$ 78,608,946	\$ 116,000	\$ -	\$ 78,724,946
Land and easements	1,028,821	-	-	1,028,821
Dry Creek Reservoir	6,293,616	-	-	6,293,616
Construction in progress	5,165,579	3,748,926	(1,629,067)	7,285,438
Total capital assets, not being depreciated	91,096,962	3,864,926	(1,629,067)	93,332,821
Capital assets, being depreciated:				
Distribution system	68,365,716	4,004,310	-	72,370,026
Carter Lake Filter Plant improvements	10,145,343	271,475	-	10,416,818
Dry Creek Reservoir Dam	7,432,221	-	-	7,432,221
Buildings and improvements	692,950	854,683	-	1,547,633
Vehicles and equipment	2,216,326	573,704	(101,387)	2,688,643
Intangible assets	157,481	27,401	-	184,882
Total capital assets, being depreciated	89,010,037	5,731,573	(101,387)	94,640,223
Less accumulated depreciation for:				
Distribution system	(27,016,093)	(1,350,358)	-	(28,366,451)
Carter Lake Filter Plant improvements	(2,002,350)	(243,429)	-	(2,245,779)
Dry Creek Reservoir Dam	(817,545)	(74,322)	-	(891,867)
Buildings and improvements	(489,447)	(37,405)	-	(526,852)
Vehicles and equipment	(1,363,934)	(229,650)	101,387	(1,492,197)
Intangible assets	(111,674)	(15,748)	-	(127,422)
Total accumulated depreciation	(31,801,043)	(1,950,912)	101,387	(33,650,568)
Total capital assets, being depreciated, net	57,208,994	3,780,661	-	60,989,655
Total capital assets, net	\$148,305,956	\$ 7,645,587	\$(1,629,067)	\$154,322,476

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

6. Long-Term Obligations

A summary of the District's bonds and notes payable as of December 31, 2021 and 2020, is as follows:

December 31,	2021	2020
Revenue Bonds		
<p>\$22,785,000 September 29, 2020, water revenue bonds, Series 2020 due in principal installments of \$270,000 in 2021 with increases through 2050; interest at 4% to 5%. 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, maintaining and repairing the System. There was no accrued interest on these bonds at December 31, 2021 and 2020.</p>	22,515,000	22,785,000
Notes Payable		
<p>\$5,873,339 March 14, 2017, water revenue refunding note, Series 2017A due in principal installments of \$542,036 in 2017 with additional increases through 2027; interest at 2.36%. 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. Accrued interest on the note is \$7,490 and \$8,579 at December 31, 2021 and 2020, respectively.</p>	3,346,521	3,860,100
<p>\$3,360,638 December 7, 2017, water revenue refunding note, Series 2017B due in principal installments of \$-0- in 2017 with additional increases through 2027; interest at 2.30%. The note is a 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, maintaining and repairing the System. Accrued interest on the note is \$4,493 and \$5,037 at December 31, 2021 and 2020, respectively.</p>	2,033,255	2,376,240
Total Bonds and Notes Payable	\$ 27,894,776	\$ 29,021,340

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

A summary of changes in long-term obligations is as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Revenue Bonds					
2020	22,785,000	-	(270,000)	22,515,000	405,000
Notes Payable					
2017A	3,860,100	-	(513,579)	3,346,521	525,700
2017B	2,376,240	-	(342,985)	2,033,255	350,919
Compensated Absences	299,378	437,151	(405,175)	331,354	-
Total	\$ 29,320,718	\$ 437,151	\$ (1,531,739)	\$ 28,226,130	\$ 1,281,619
Current portion of bonds and notes payable	(1,126,564)			(1,281,619)	
Net bond premiums	4,494,904	-	(277,319)	4,217,585	-
Noncurrent portion of long-term obligations	\$ 32,689,058			\$ 31,162,096	

The annual requirements to amortize all debt outstanding as of December 31, 2021, are as follows:

Year Ending December 31,	Annual Maturities	Interest	Total Payment
2022	\$ 1,281,619	\$ 1,055,687	\$ 2,337,306
2023	1,322,142	1,014,912	2,337,054
2024	1,363,392	972,658	2,336,050
2025	1,409,649	928,906	2,338,555
2026	1,451,649	883,406	2,335,055
2027 - 2031	3,511,325	3,858,250	7,369,575
2032 - 2036	3,430,000	3,140,000	6,570,000
2037 - 2041	4,185,000	2,372,400	6,557,400
2042 - 2046	5,085,000	1,597,200	6,682,200
2047 - 2050	4,855,000	494,800	5,349,800
Totals	\$ 27,894,776	\$ 16,318,219	\$ 38,863,195

Defeased Bond and Loan Issues - As a result of in-substance defeasance transactions, the following outstanding revenue bond and loan issues are not shown on the statement of net position at December 31, 2021 and 2020 totaling \$0 and \$345,000, respectively.

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

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

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.

2021 principal paid	\$	856,564
2021 interest paid		1,212,674
Subtotal		2,069,238
	x	110%
Required net revenue as defined in 2020, 2017A and 2017B resolutions	\$	2,276,162

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

Net revenue as defined in 2020 and 2017 Agreements

Operating revenues	\$	11,113,948
Tap fees/water rights		7,754,248
Subtotal		18,868,196
Operating expenses (excluding depreciation expense)		(7,794,458)
Net revenue as defined in 2020 and 2017 resolutions	\$	11,073,738

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 \$4,643,878 and \$2,348,861 for the years ended December 31, 2021 and 2020, 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 \$121,336 and \$118,370 to the plan for covered employees during the years ended December 31, 2021 and 2020, respectively.

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.

Little Thompson Water District

Notes to Financial Statements

December 31, 2021 and 2020

The District carries commercial insurance covering specific and general risks of loss, including worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage.

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.

11. Subsequent Events

The District evaluated subsequent events through September 1, 2022, the date these financial statements were available to be issued. There were no material subsequent events that require recognition or additional disclosure.

Supplementary Information

Little Thompson Water District

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

For the Years Ended December 31,	2021			2020	
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual
	Original	Final	Budget Basis	Positive (Negative)	Budget Basis
Revenues					
Operating revenues:					
Water sales	\$ 10,493,097	\$ 10,493,097	\$ 10,678,805	\$ 185,708	\$ 10,178,200
Tap installation	303,600	303,600	312,995	9,395	310,190
Miscellaneous	97,280	97,280	122,148	24,868	96,229
Total operating revenues	10,893,977	10,893,977	11,113,948	219,971	10,584,619
Non-operating revenues (expenses):					
Earnings on investments	162,000	162,000	91,593	(70,407)	213,969
Mineral lease revenue	1,500	1,500	1,542	42	987
Miscellaneous	925,200	925,200	136,364	(788,836)	257,060
Grant revenue	-	-	68,091	68,091	3,500
Gain on sale of capital assets	20,000	20,000	12,594	(7,406)	33,642
Total non-operating revenues	1,108,700	1,108,700	310,184	(798,516)	509,158
Debt proceeds	-	-	-	-	22,785,000
Contributions:					
Tap fees/water rights	2,454,000	2,454,000	7,754,248	5,300,248	5,671,547
Total revenues	14,456,677	14,456,677	19,178,380	4,721,703	39,550,324
Expenditures					
Distribution:					
Maintenance and operation	959,350	959,350	994,716	(35,366)	1,032,410
Vehicle expense	126,000	126,000	103,915	22,085	76,787
Water quality	29,400	29,400	-	29,400	2,175
Total distribution	1,114,750	1,114,750	1,098,631	16,119	1,111,372
Administration and general:					
Building and grounds expense	75,750	75,750	62,682	13,068	87,528
Computer expense	129,340	129,340	129,593	(253)	169,125
Farm Expense	2,570	2,570	2,740	(170)	2,670
Insurance	104,275	104,275	120,165	(15,890)	120,685
Memberships	13,450	13,450	13,135	315	15,633
Miscellaneous	91,750	91,750	23,626	68,124	15,433
Office service contracts	131,460	131,460	127,319	4,141	126,937
Office expense	65,380	65,380	61,375	4,005	66,653
Professional fees	21,000	21,000	35,815	(14,815)	56,854
Public relations	7,900	7,900	41,627	(33,727)	42,684
Safety and training expense	15,750	15,750	16,114	(364)	14,933
Telephone and communications	65,852	65,852	65,899	(47)	53,894
Uniforms	19,200	19,200	16,532	2,668	15,235
Total administration and general	743,677	743,677	716,622	27,055	788,264
Engineering:					
Engineering/CAD/professional fees	105,000	105,000	40,904	64,096	18,872
Water conservation	26,000	26,000	18,927	7,073	12,690
Soil amendments rebates	16,000	16,000	6,504	9,496	4,506
Landscaping incentives	9,000	9,000	2,112	6,888	1,484
Engineering department expenses	6,000	6,000	6,396	(396)	2,696
Total engineering	162,000	162,000	74,843	87,157	40,248

Continued.

Little Thompson Water District

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

For the Years Ended December 31,	2021		2020		
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final	Budget Basis	Positive (Negative)	Budget Basis
Employee costs:					
Administration	922,975	922,975	905,960	17,015	902,168
Board	15,825	15,825	8,935	6,890	8,612
Distribution	1,696,314	1,696,314	1,700,906	(4,592)	1,629,989
Engineering	1,162,205	1,162,205	1,177,819	(15,614)	1,140,828
Total employee costs	3,797,319	3,797,319	3,793,620	3,699	3,681,597
Carter Lake Filter Plant and Dry Creek					
Reservoir joint operating costs:					
Filter plant operating expense	1,278,019	1,278,019	1,244,973	33,046	1,189,878
Dry Creek reservoir operating expense	30,000	30,000	21,967	8,033	101,062
Total Carter Lake Filter Plant and Dry Creek Reservoir joint operating costs	1,308,019	1,308,019	1,266,940	41,079	1,290,940
St. Vrain Authority					
Start up costs	30,000	30,000	1,909	28,091	12,500
Total	30,000	30,000	1,909	28,091	12,500
Water assessments and rentals:					
Purchased water expense	783,021	783,021	841,893	(58,872)	739,100
Total	783,021	783,021	841,893	(58,872)	739,100
Debt service:					
Principal retired	1,096,564	1,096,564	1,126,564	(30,000)	1,472,416
Interest	1,203,791	1,203,791	1,212,674	(8,883)	201,348
Debt issuance costs			-	-	277,549
Total	2,300,355	2,300,355	2,339,238	(38,883)	1,951,313
Capital improvement:					
Plant and equipment	12,254,290	12,254,290	7,785,284	4,469,006	5,806,789
Total	12,254,290	12,254,290	7,785,284	4,469,006	5,806,789
Total expenditures	22,493,431	22,493,431	17,918,980	4,574,451	15,422,123
Excess (deficiency) of budgeted revenues over budgeted expenditures	\$ (8,036,754)	\$ (8,036,754)	1,259,400	\$ 9,296,154	24,128,201
Reconciling items to GAAP basis					
Capital improvements			7,785,284		5,806,789
Principal paid on debt			1,126,564		1,472,416
Debt proceeds			-		(22,785,000)
Depreciation			(2,098,707)		(1,950,912)
Contributed capital assets			31,361,925		2,160,643
Joint venture income (loss)			(178,524)		(127,615)
Change in accrued interest expense			-		3,750
Amortization of deferred loss and premiums on refunding bonds			263,598		(11,124)
Change in net position			\$ 39,519,540		\$ 8,697,148

See accompanying Independent Auditor's Report.