



# Northern Water Municipal Subdistrict



# 2020

## Comprehensive Annual Financial Report

*For the Year Ended September 30, 2020*

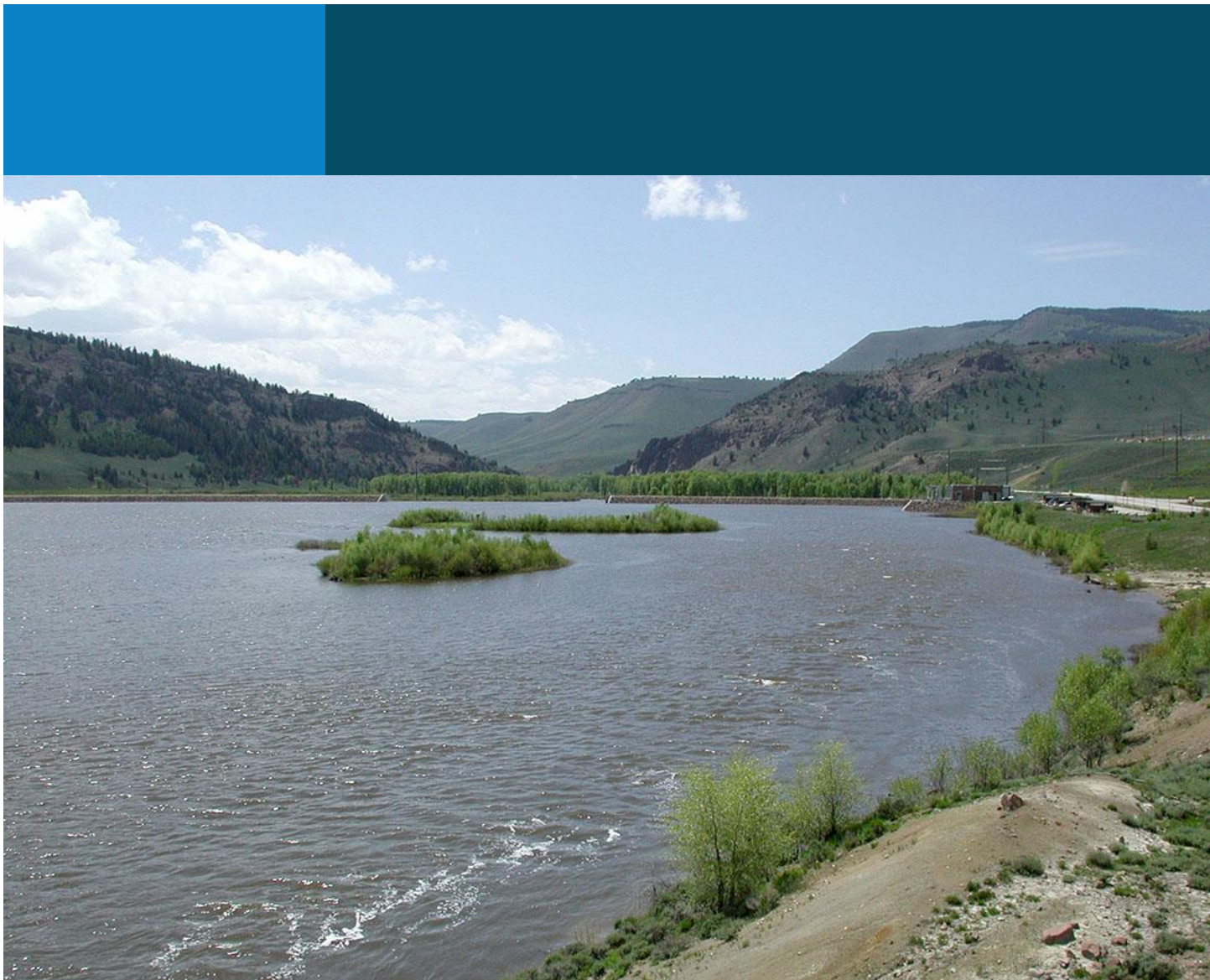




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## INTRODUCTORY

The introductory section includes the Transmittal Letter, Board of Directors, Committee descriptions, Organizational Chart and the Certificate of Achievement for past financial report.



March 4, 2021

We are pleased to transmit the Comprehensive Annual Financial Report of the Municipal Subdistrict, Northern Colorado Water Conservancy District (Subdistrict) for the fiscal year ended September 30, 2020. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the Subdistrict. All disclosures necessary to enable the reader to gain an understanding of the Subdistrict's financial activities have been included.

In developing and evaluating the Subdistrict's accounting system, an important consideration is the overall adequacy of internal controls. Internal controls are designed to provide Subdistrict management with reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the overall reliability of maintaining accountability and control over the Subdistrict's assets. The concept of reasonable assurance recognizes that the costs of a control should not exceed the benefits likely to be derived. The evaluation of costs and benefits requires estimates and judgments by management.

Plante & Moran, PLLC, a certified public accounting and consulting firm, has issued unmodified opinions on the Subdistrict's financial statements as of and for the year ended September 30, 2020. Their independent auditors' report is located on page 15 of the Financial Section of this report. State statutes require that an annual audit of the books of account, financial records and transactions of the Subdistrict be performed in accordance with generally accepted auditing standards by independent certified public accountants selected by the Subdistrict Board of Directors. These requirements have been met.

Management's Discussion and Analysis (MD&A), located on page 17, provides a narrative overview and analysis of the basic financial statements. The MD&A complements and should be read in conjunction with this letter.

### **Profile of the Subdistrict**

The Subdistrict was organized in 1970 as a subdistrict of the Northern Colorado Water Conservancy District (Northern Water) pursuant to the Water Conservancy Act. Under the Water Conservancy Act, a subdistrict has the same powers and legal standing as its parent district and is an independent political subdivision of the State of Colorado. It has the authority to undertake projects separate from those undertaken by its parent district.

The Subdistrict owns the following water activity enterprises, which are government-owned businesses within the meaning of Article X, Section 20 of the Colorado Constitution: The Windy Gap Water Activity Enterprise created August 1993 and the Windy Gap Firming Project Water Activity Enterprise created November 1999. The two water activity enterprises are legally distinct and financially independent.

The Board of Directors of the Subdistrict is, by statute, the same as the Board of Northern Water. However, the Subdistrict elects its own slate of officers. Northern Water does not approve or modify the Subdistrict budget, hold title to any of the Subdistrict's water rights or authorize issuance of Subdistrict bonds. The Subdistrict is not under the control of Northern Water and, therefore, is not included in Northern Water's financial statements. The Subdistrict maintains third-party insurance coverage for its potential losses. The Subdistrict is not self-insured.

The Subdistrict was established to develop a water supply for participating Northern Colorado Front Range communities through the Windy Gap Project. The number of Subdistrict participants in the enterprise funds has grown from its original

6 participants to a total of 17 participants including municipalities, water providers and a power authority. Of these 17 participants, 12 are also participants in Windy Gap Firming Project. Subdistrict participants span the Front Range from Platte River Power Authority, in the Northern Region, to the City and County of Broomfield in the Metro Denver area and include participants from Boulder, Broomfield, Larimer and Weld counties.

The Subdistrict has a Carriage Contract with the U.S. Bureau of Reclamation (Reclamation) and Northern Water. The contract defines the terms for the introduction, storage, conveyance, exchange, substitution and delivery of water for the Subdistrict through the Colorado-Big Thompson (C-BT) Project. The Subdistrict has entered into water allotment contracts with each of its participants. These contracts govern the storage and delivery of water through Chimney Hollow Reservoir. Under the terms of the contract, the participants commit to funding their proportional share of the Chimney Hollow Reservoir construction costs in exchange for capacity in the project.

The Subdistrict financial statements include the following enterprise funds:

#### ***Windy Gap Enterprise Fund (Windy Gap)***

Windy Gap accounts for the wholesale water operations of the Subdistrict and is self-supporting through water assessments. Windy Gap owns, operates and maintains the Windy Gap Project. The Windy Gap Project consists of a diversion dam on the Colorado River, a pumping plant and a pipeline to pump and transport diverted Windy Gap Project water to Lake Granby, a water storage feature of the C-BT Project on the West Slope. The Windy Gap Project water is then conveyed from Lake Granby through the C-BT Project's Adams Tunnel for distribution to the Windy Gap participants along the Front Range. The project is operationally capable of delivering an average of 48,000 acre-feet of water annually. The Windy Gap Project has no dedicated storage; it relies on available capacity in the C-BT Project. When such C-BT Project storage is fully needed for C-BT Project water, Windy Gap Project water must either be delivered to participants or spilled out of Lake Granby. The Windy Gap Project became operational in 1985 and began making water deliveries shortly thereafter.

#### ***Windy Gap Firming Project Enterprise Fund***

Windy Gap Firming Project (WGFP) is a collaboration between 12 participants to improve the reliability of water supplies from the Windy Gap Project. This reliability will be established by development of the Chimney Hollow Reservoir and related appurtenances, providing dedicated storage capacity for Windy Gap Project water. This project aligns with the Subdistrict's vision to ensure a secure water future for Northern Colorado. See Major Initiatives below.

#### ***Local Economy***

The Colorado Economic Outlook, published in December 2020 by the Colorado Office of State Planning and Budgeting, provides an economic overview of the area in which the Subdistrict operates. This narrative is summarized from that report.

Overall growth of the Colorado economy slowed as a result of the COVID-19 pandemic. Recovery remains incomplete and uneven with some sectors bouncing back while others are lagging. While economic expectations show a positive trend due to the COVID-19 vaccines, the lasting impact of the pandemic recession remains unknown and poses ongoing downside risks.

The Colorado Economic Outlook describes two major regions, the Metro Denver Region and the Northern Region, both of which are served in part by the Subdistrict. The Metro Denver Region includes Boulder and Broomfield Counties. The region relies heavily on tourism-related and business travel activities, while having a concentration of oil and gas firms. The pandemic has taken a toll on the region's previously robust labor market.

The Northern Region includes Larimer and Weld Counties. Larimer County's economy continues to expand with an average population growth of 2 percent per year. However, in Weld County economic activity is driven largely by oil and gas and agriculture. The energy sector is at significant risk due to oil prices falling to unprofitable production levels of \$40 per barrel combined with the drop in demand due to COVID-19 related shutdowns. The oil and gas drilling rig count in Colorado is one third of the count from prior periods. Oil prices are expected to remain depressed through 2020 and



into 2021. This impacts the public sector through property and sales taxes. The agricultural sector faces significant challenges. Already in the midst of a prolonged economic downturn, the sector has been beset by supply chain disruptions, COVID-19 outbreaks in processing facilities, drought conditions and natural disasters. The outlook for 2021 remains precarious and highly dependent on pandemic recovery and ongoing support from government programs.

Though employment statistics in both regions were better than other areas in Colorado, employment growth decreased between 2.7 percent in Greeley and 3.6 percent in other areas. Unemployment ranged from 6 to 7 percent. Growth in statewide employment is expected to increase to 3.1 percent in 2021 and remain steady with unemployment declining to between 5.9 percent and 4.6 percent.

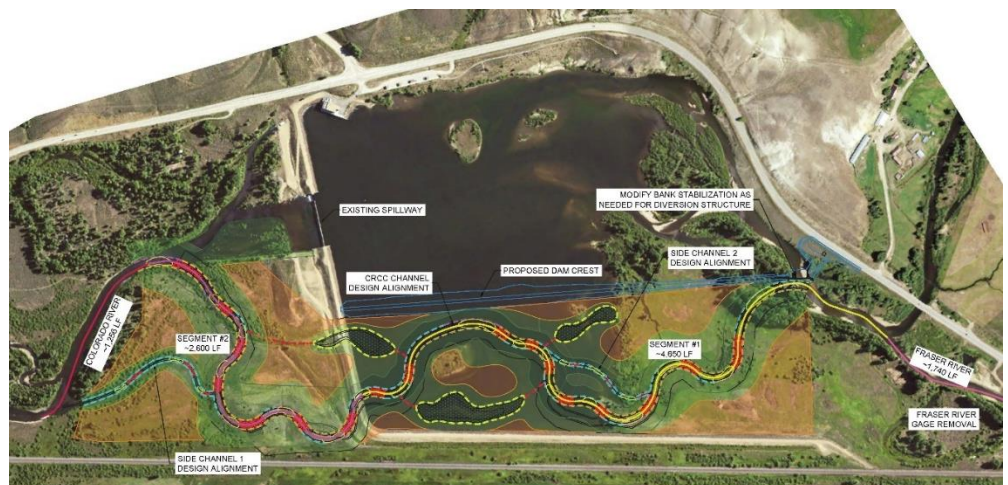
In contrast, personal income increased in 2020 by 5.3 percent at least partially due to government intervention in the form of unemployment benefits and direct payments to households. Growth in personal income is expected to slow to between 4.3 percent to 4.1 percent in coming years. Wage and salary income declined from a growth rate of 6.9 percent in 2019 to a modest 1.8 percent in 2020. This is expected to bounce back to 7 percent in 2021.

The residential housing market remains a bright spot in the economy. Historically low mortgage rates have boosted demand. A shift to working at home has many buyers looking for bigger homes, often in suburban areas. Construction permits are expected to grow 8.8 percent and remain steady in the coming year. The strength in the residential market has offset the weakness in the nonresidential market, which has declined due to uncertainty created by the pandemic.

## Major Initiatives and Long-Term Financial Planning

### ***Windy Gap - Colorado River Connectivity Channel***

When the original Windy Gap Project was built by the Subdistrict, the Windy Gap Reservoir dam physically interrupted movement of aquatic species and continuity of aquatic habitat in the Colorado River. The Subdistrict has entered into an agreement to construct a Colorado River Connectivity Channel around the Windy Gap Reservoir dam, thereby reconnecting the Colorado River, in order to minimize the dam's impact on aquatic habitat and species. The project is expected to cost between \$20 to \$23 million and is being funded by a combination of resources including funding from the Subdistrict and other stakeholders. Project partners include the Colorado Parks and Wildlife, the Colorado Water Conservation Board (CWCB), Grand County, the Colorado River District and the Upper Colorado River Alliance. In 2020, final design and permitting efforts for the Colorado River Connectivity Channel continued. The Colorado River Connectivity Channel meets certain WGFP obligations for mitigation and enhancement.



*Rendering for the Colorado River Connectivity Channel*

### ***Windy Gap Firing Project***

In 2020 the Subdistrict Board of Directors entered into a \$485 million contract for the construction of a 355-foot-tall asphalt-core dam in the valley west of Carter Lake in southern Larimer County. When completed, the dam will establish Chimney Hollow Reservoir, a 90,000 acre-foot water storage component of WGFP. The reservoir, including the Colorado River Connectivity Channel, will provide a portion of the future water supplies needed for 11 water providers and an electric utility. Total project costs, including the reservoir, dam and appurtenances, are expected to total \$674 million. Included in this amount are mitigation and enhancement measures that will work toward improving aquatic habitat and flow conditions on the Colorado River and supporting endangered species on the West and East Slope. The project is

expected to be financed through a senior bond offering by the Subdistrict, a \$90 million subordinate loan with the CWCB, and participant cash contributions. The loan agreement with CWCB was finalized in February 2021.

### ***Financial Policies***

All financial principles and policies have been consistently applied in the preparation of the Subdistrict financial statements including the basis of accounting and valuation of fund assets. These policies are further detailed in Note 1 to the financial statements.

### **Awards and Acknowledgements**

#### ***Comprehensive Annual Financial Report***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Subdistrict for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2019. The Subdistrict has received this award every year since 1987. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized report, the contents of which satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe the September 30, 2020, Subdistrict CAFR continues to meet the Certificate of Achievement Program's requirements, and the Subdistrict will be submitting it to GFOA to determine its eligibility for another certification.

#### ***Annual Budget***

The Subdistrict received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2019. In order to qualify for this award, the Subdistrict budget document had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

Both the CAFR and Annual Budget are available at [northernwater.org](http://northernwater.org).

The preparation of this CAFR would not have been possible without the efficient and dedicated service of Northern Water staff. In particular we would like to recognize the outstanding efforts of the Northern Water Financial Services Department personnel:

Kristyn Unrein, CGFM  
Fahim Ghafoori, MBA/MS

Judy Skram, CPA  
Emma Kuntz

Bernice Rupp

Kathy Jo Price

In addition, we would like to recognize the leadership of the Board of Directors of the Subdistrict for its unfailing support for maintaining the highest standards of professionalism in the management of the Subdistrict's finances.

Sincerely,

Gerald A. Gibbens, P.E.  
Treasurer  
Municipal Subdistrict, Northern Colorado Water Conservancy District

Bradley D. Wind, P.E.  
General Manager  
Municipal Subdistrict, Northern Colorado Water Conservancy District



## BOARD OF DIRECTORS AND OFFICERS

The 12-member Board is responsible for establishing policy and strategic direction. Directors from the eight counties within Subdistrict boundaries are appointed to four-year terms by district court judges. Three Board seats are up for appointment every year. When a director's term expires, he or she continues to serve until the judge reappoints or replaces him or her. The Subdistrict's Board officers are elected by the Board at its annual organizational meeting each October. The Board holds its public meetings twice a month.

### Current Board of Directors



**Dennis Yanchunas**  
President  
Boulder County  
Aug. 20, 2010 – Sept. 28, 2024



**Bill Emslie**  
Vice President  
Larimer County  
Sept. 28, 2005 – Sept. 28, 2021



**Mike Applegate**  
President  
Larimer County  
Sept. 28, 1991 – Sept. 28, 2023



**Dale Trowbridge**  
Vice President  
Weld County  
Aug. 15, 2014 – Sept. 28, 2023



**Jennifer Gimbel**  
Larimer County  
July 15, 2019 – Sept. 28, 2024



**Sue Ellen Harrison**  
Boulder County  
Sept. 28, 2009 – Sept. 29, 2022



**Don Magnuson**  
Weld County  
Sept. 28, 2004 – Sept. 28, 2024



**Gene Manuello**  
Logan County  
Sept. 28, 2018 – Sept. 28, 2022



**Rob McClary**  
Sedgwick County  
Sept. 28, 2011 – Sept. 28, 2023



**David Nettles**  
Weld County  
Oct 18, 2018 – Sept. 28, 2022



**John Rusch**  
Morgan and Washington Counties  
April 12, 2002 – Sept. 28, 2021



**Todd Williams**  
Boulder County  
Sept. 28, 2017 – Sept. 28, 2021

Subdistrict officers are as follows:

Secretary	Brad Wind, General Manager
Treasurer	Jerry Gibbens, Operations Division Director

The General Manager of Northern Water is appointed by and serves at the pleasure of the Board.

## BOARD COMMITTEES

Northern Water has three standing committees tasked with the detailed study of specialized topics: the Audit Committee, the Finance and Benefits Committee and the Legal and Legislative Committee. The chair of each committee reports on the committee's activities and, depending on the subject matter, may present committee recommendations for Board action to the full Board of Directors.

The Audit Committee meets semi-annually, or more often as necessary, to initiate and then conclude each year's annual audit process. The Audit Committee works closely with the independent auditors ensuring that the Board can faithfully carry out its fiduciary obligations. The Audit Committee receives the auditor's findings and recommendations for changes to policy and procedures and makes recommendations to the Board as warranted.

Audit Committee Members:

- Mike Applegate
- Bill Emslie
- Jennifer Gimbel
- Rob McClary
- Dale Trowbridge, Chair
- Todd Williams
- Dennis Yanchunas

The Finance and Benefits Committee meets on a regular basis with its financial advisors to review Subdistrict financial and investment policies and to discuss future financing requirements or other financial matters. The committee makes recommendations as necessary to the Subdistrict Board.

Finance and Benefits Committee Members:

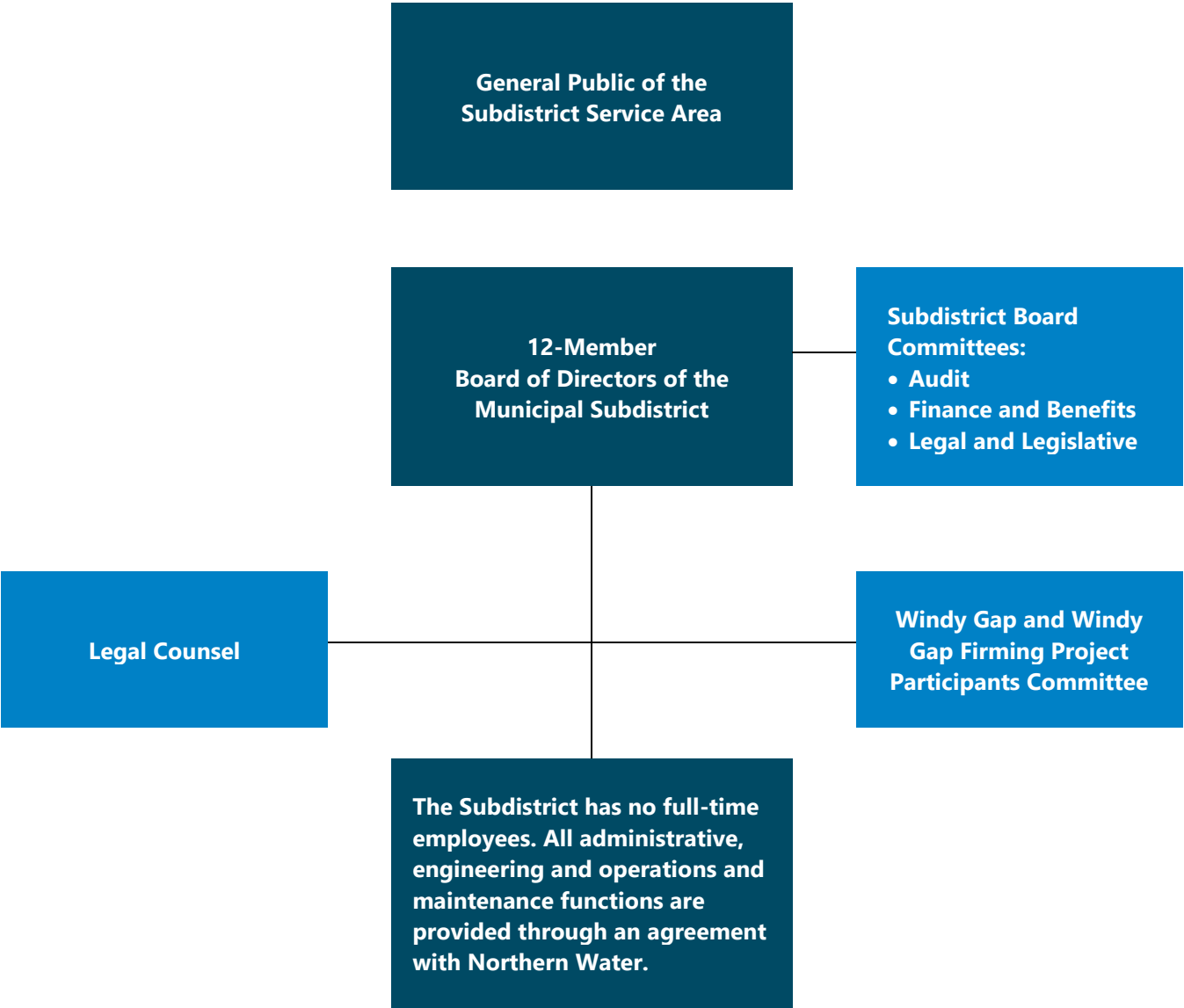
- Mike Applegate
- Bill Emslie, Chair
- Rob McClary
- David Nettles
- Dale Trowbridge
- Todd Williams
- Dennis Yanchunas

The Legal and Legislative Committee meets at least quarterly to receive updates on federal, state and local legislation of interest to the Subdistrict and its constituents. The committee works closely with its legislative consultant to recommend positions on proposed legislation and to provide input to authors of new legislation. The committee also receives briefings on specialized legal topics and, if warranted, makes recommendations to the full Board.

Legal and Legislative Committee Members:

- Mike Applegate
- Bill Emslie
- Jennifer Gimbel, Co-Chair
- Sue Ellen Harrison, Co-Chair
- Don Magnuson
- Gene Manuello
- Rob McClary
- David Nettles
- John Rusch
- Dale Trowbridge
- Todd Williams

**ORGANIZATIONAL CHART**



## CERTIFICATE OF ACHIEVEMENT



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Municipal Subdistrict, Northern Colorado  
Water Conservancy District**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

September 30, 2019

*Christopher P. Morrell*

Executive Director/CEO





## FINANCIAL

The financial section includes the Auditor's Report, Management's Discussion and Analysis, Basic Financial Statements and Supplementary Information.

## **Independent Auditor's Report**

To the Board of Directors  
Municipal Subdistrict, Northern Colorado  
Water Conservancy District

### **Report on the Financial Statements**

We have audited the accompanying financial statements of each major fund of the Municipal Subdistrict, Northern Colorado Water Conservancy District (the "Subdistrict") as of and for the year ended September 30, 2020 and the related notes to the financial statements, which collectively comprise the Subdistrict's basic financial statements, as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each major fund of the Municipal Subdistrict, Northern Colorado Water Conservancy District as of September 30, 2020 and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors  
Municipal Subdistrict, Northern Colorado  
Water Conservancy District

***Other Matters***

***Required Supplemental 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, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 supplemental 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.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipal Subdistrict, Northern Colorado Water Conservancy District's basic financial statements. The other supplemental information, as identified in the table of contents, and introductory and statistical sections are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The other supplemental 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. Such 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 other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

*Plante & Moran, PLLC*

March 4, 2021





**MANAGEMENT’S DISCUSSION AND ANALYSIS**

Management’s Discussion and Analysis presents a narrative overview of the financial activities of the Subdistrict for the fiscal year ended September 30, 2020



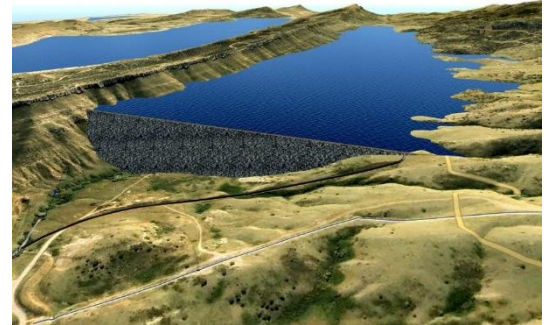
## MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis presents a narrative overview of the financial activities of the Subdistrict for the fiscal year ended September 30, 2020. It should be read in conjunction with the additional information furnished in the transmittal letter on page 5 of this report.

### Highlights

#### Chimney Hollow Reservoir

In 2020 WGFP signed a \$485 million contract for construction of the Chimney Hollow Reservoir dam. Construction is expected to begin in 2022 and it is anticipated that Chimney Hollow Reservoir will be operational by 2026. Total project costs are currently budgeted at \$674 million. Costs are fully funded by WGFP participants, including current year contributions of \$12 million. The 90,000-acre-foot reservoir will constitute dedicated storage for Windy Gap Project water and provide a portion of the future water supplies needed by the 12 participants.



*Rendering of Chimney Hollow Reservoir*

#### Colorado River Connectivity Channel

Design work continued on the Colorado River Connectivity Channel, a project committed to in support of the WGFP mitigation and enhancement plan. The Connectivity Channel is expected to cost between \$20 to \$23 million. Project costs to date have been paid by the Subdistrict and grant funding.



*Windy Gap Reservoir drained in late 2020 to begin work on the Colorado River Connectivity Channel*

#### Water Deliveries

The Subdistrict delivered 12,738 acre-feet of C-BT Project water in-lieu of Windy Gap Project water in fiscal year 2020, compared to a historical average of Windy Gap deliveries of 13,843-acre feet. No Windy Gap Project water was pumped in 2020.

#### Overview of the Financial Statements

The Subdistrict financial statements consist of the enterprise fund financial statements of Windy Gap and WGFP. These funds report business-type activities only. The report also includes other supplementary and statistical information. Comparative data is included on select schedules to enable the reader to review information against prior years.

The enterprise fund financial statements include the following:

- Statement of Net Position - Presents information as to the Subdistrict's current and noncurrent assets, capital assets and current obligations. The Subdistrict did not have any long-term liabilities at September 30, 2020. The difference between assets and liabilities is reported as net position.
- Statement of Revenues, Expenses and Changes in Net Position - Reports the Subdistrict's operating and nonoperating revenues and expenses by major sources, capital contributions and changes in net position for the year.
- Statement of Cash Flows - Reports the Subdistrict's cash flows from operating, capital and related financing, and investing activities.
- Notes to Financial Statements - Provide further explanation and details that are essential to a full understanding of the above statements.

**Financial Analysis - Statement of Net Position<sup>(1)</sup>***(condensed)**September 30,*

	\$000s			
	2020	2019	Increase (Decrease) in Net Position	Percentage Change
<b>Assets</b>				
Current assets	\$ 28,187	\$ 20,939	\$ 7,248	
Noncurrent cash equivalents and investments	8,279	7,872	407	
Capital assets, net of accumulated depreciation	80,935	73,557	7,378	
Assets	<u>\$ 117,401</u>	<u>\$ 102,368</u>	<u>\$ 15,033</u>	14.7%
<b>Liabilities</b>				
	<u>\$ 8,289</u>	<u>\$ 4,657</u>	<u>\$ 3,632</u>	78.0%
<b>Net Position</b>				
Investment in capital assets	\$ 80,935	\$ 73,557	\$ 7,378	
Restricted net position for capital projects	9,386	4,999	4,387	
Unrestricted net position	18,791	19,155	(364)	
Net Position	<u>\$ 109,112</u>	<u>\$ 97,711</u>	<u>\$ 11,401</u>	11.7%

**Revenues, Expenses and Changes in Net Position<sup>(1)</sup>***(condensed)**Years ended September 30,*

	\$000s			
	2020	2019	Increase (Decrease) in Net Position	Percentage Change
<b>Operating revenues</b>				
Assessments	\$ 3,688	\$ 3,407	\$ 281	8.2%
Other operating income	-	7	(7)	
Operating revenues	<u>3,688</u>	<u>3,414</u>	<u>274</u>	
<b>Operating expenses</b>	<u>(5,379)</u>	<u>(5,628)</u>	<u>249</u>	-4.4%
Operating loss	<u>(1,691)</u>	<u>(2,214)</u>	<u>523</u>	-23.6%
<b>Nonoperating revenues</b>				
Earnings on investments	634	673	(39)	
Nonoperating revenues	<u>142</u>	<u>20</u>	<u>122</u>	
Nonoperating revenues	<u>776</u>	<u>693</u>	<u>83</u>	12.0%
Loss before contributions	<u>(915)</u>	<u>(1,521)</u>	<u>606</u>	
<b>Capital contributions</b>	<u>12,316</u>	<u>10,386</u>	<u>1,930</u>	18.6%
Increase in net position	<u>11,401</u>	<u>8,865</u>	<u>2,536</u>	
Net position, beginning of year	<u>97,711</u>	<u>88,846</u>	<u>8,865</u>	
Net position, end of year	<u>\$ 109,112</u>	<u>\$ 97,711</u>	<u>\$ 11,401</u>	11.7%

<sup>(1)</sup> Balances reflect both Subdistrict enterprise funds combined.

## Revenues, Expenses and Changes in Net Position<sup>(1)</sup> (continued)

Windy Gap net position of \$34 million consisted of its investment in capital assets and amounts restricted for the capital project, primarily cash and receivables net of trade payables, and unrestricted cash balances. Net position decreased by \$775,778 in 2020 reflecting additional water assessments as unearned and higher operating expenses. Both of these changes were a result of the implementation of the 2014 Carriage Contract in fiscal year 2020.

Net position of \$75 million for WGFP reflects its investment in the capital project and related assets. Net position increased \$12 million reflecting the 2020 participant capital contributions.

<sup>(1)</sup> Balances reflect both Subdistrict enterprise funds combined.

## Capital Assets by Enterprise Fund

(condensed)

September 30,

	\$000s		
	2020	2019	Increase
<b>Windy Gap and Windy Gap FIRMING Project Combined</b>			
Land and water rights	\$ 2,517	\$ 2,517	\$ -
Water diversion project, equipment and improvements	10,492	12,551	(2,059)
Construction in progress	67,926	58,489	9,437
Capital assets, net of depreciation	<u>\$ 80,935</u>	<u>\$ 73,557</u>	<u>\$ 7,378</u>
<b>Windy Gap</b>			
Land and water rights	\$ 2,517	\$ 2,517	\$ -
Water diversion project, equipment and improvements	10,492	12,551	(2,059)
Construction in progress	2,229	581	1,648
Capital assets, net of depreciation	<u>\$ 15,238</u>	<u>\$ 15,649</u>	<u>\$ (411)</u>
<b>Windy Gap FIRMING Project</b>			
Construction in progress	<u>\$ 65,697</u>	<u>\$ 57,908</u>	<u>\$ 7,789</u>

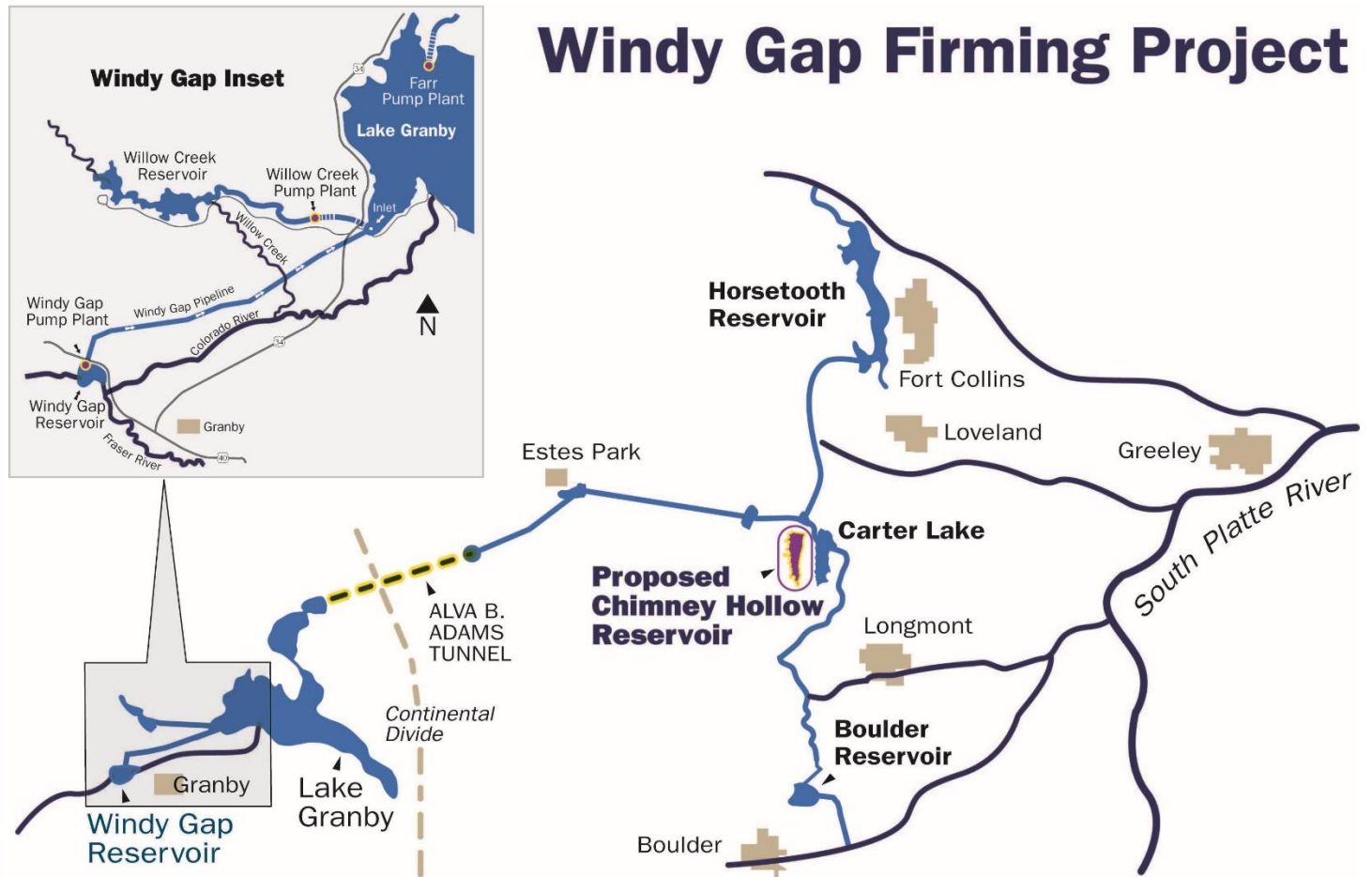
The Windy Gap water diversion project, equipment and improvements balance decreased \$2.1 million which reflected current year depreciation. Construction in progress increased by \$1.6 million to a total of \$2.2 million at September 30, 2020, reflecting the additional investment in the Colorado River Connectivity Channel.

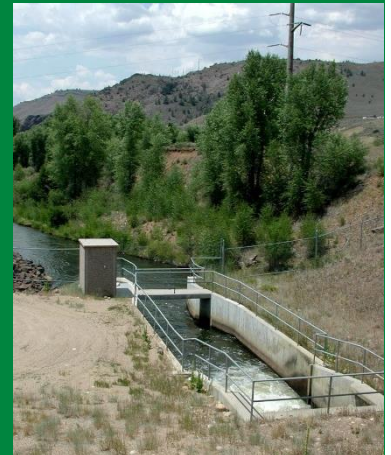
Windy Gap FIRMING Project construction in progress increased \$7.8 million in 2020 due to preliminary work on the dam construction and mitigation and enhancement costs of \$1 million. Mitigation and enhancement included water quality monitoring and nutrient plan studies. All WGFP capital costs incurred to date have been fully funded by its participants. See additional information relating to capital assets at Note 5 to the financial statements.

### Financial Contact

The Subdistrict's financial statements are designed to present users with a general overview of the Subdistrict's finances and to demonstrate the Subdistrict's accountability. If there are any questions about the report, or if additional financial information is needed, please contact the Financial Services Department, Northern Water, 220 Water Avenue, Berthoud, Colorado 80513.







## **BASIC FINANCIAL STATEMENTS**

## Statement of Net Position – Proprietary Funds

September 30, 2020

	Business-type Activity Enterprise Funds		
	Windy Gap		
	Windy Gap	Firming Project	Total
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents, unrestricted	\$ 17,354,343	\$ 7,792,389	\$ 25,146,732
Receivables	520,702	2,400,814	2,921,516
Prepaid carriage costs	118,242	-	118,242
Current assets	17,993,287	10,193,203	28,186,490
<b>Noncurrent assets</b>			
Cash equivalents, unrestricted	32,889	-	32,889
Investments, unrestricted	8,246,361	-	8,246,361
Capital assets	87,390,780	65,696,977	153,087,757
Less accumulated depreciation	(72,152,418)	-	(72,152,418)
Capital assets, net of accumulated depreciation	15,238,362	65,696,977	80,935,339
Noncurrent assets	23,517,612	65,696,977	89,214,589
Assets	\$ 41,510,899	\$ 75,890,179	\$ 117,401,078
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	\$ 4,813,629	\$ 806,986	\$ 5,620,615
Unearned revenue	2,668,494	-	2,668,494
Current liabilities	7,482,123	806,986	8,289,109
Liabilities	\$ 7,482,123	\$ 806,986	\$ 8,289,109
<b>NET POSITION</b>			
Investment in capital assets	\$ 15,238,362	\$ 65,696,977	\$ 80,935,339
Restricted net position for capital project	-	9,386,216	9,386,216
Unrestricted net position	18,790,414	-	18,790,414
Net position	\$ 34,028,776	\$ 75,083,193	\$ 109,111,969

See accompanying Notes to Financial Statements.

## Statement of Revenues, Expenses and Changes in Net Position

Year ended September 30, 2020

	Business-type Activity Enterprise Funds		
	Windy Gap	Windy Gap Firming Project	Total
<b>Operating revenues</b>			
Assessments	\$ 3,687,686	\$ -	\$ 3,687,686
<b>Operating expenses</b>			
Operations	2,383,187	-	2,383,187
Engineering	34,740	-	34,740
Environmental services	322,443	-	322,443
Administration	555,824	-	555,824
Depreciation	2,082,887	-	2,082,887
Operating expenses	5,379,081	-	5,379,081
Operating loss	(1,691,395)	-	(1,691,395)
<b>Nonoperating revenues</b>			
Earnings on investments	634,152	-	634,152
Intergovernmental grants	141,863	-	141,863
Nonoperating revenues	776,015	-	776,015
Loss before contributions	(915,380)	-	(915,380)
<b>Capital contributions</b>	139,602	12,176,391	12,315,993
Increase (decrease) in net position	(775,778)	12,176,391	11,400,613
<b>Net position, beginning of year</b>	34,804,554	62,906,802	97,711,356
<b>Net position, end of year</b>	\$ 34,028,776	\$ 75,083,193	\$ 109,111,969

See accompanying Notes to Financial Statements.



## Statement of Cash Flows

Year ended September 30, 2020

### Cash flows from operating activities

Receipts from participants  
Payments to suppliers  
Payments to employees  
Net cash provided by operating activities

Business-type Activity Enterprise Funds		
Windy Gap	Windy Gap	Total
\$ 4,625,047	\$ -	\$ 4,625,047
(896,486)	-	(896,486)
(382,169)	-	(382,169)
3,346,392	-	3,346,392

### Cash flows from capital and related financing activities

Capital contributions  
Acquisition and construction of capital assets  
Net cash (used) provided by capital and related financing activities

139,602	8,820,358	8,959,960
(576,903)	(7,184,704)	(7,761,607)
(437,301)	1,635,654	1,198,353

### Cash flows from investing activities

Investment purchases  
Investment sales  
Proceeds from earnings on investments  
Net cash provided by investing activities  
Net increase in cash and cash equivalents

(3,450,222)	-	(3,450,222)
3,139,126	-	3,139,126
460,300	-	460,300
149,204	-	149,204
3,058,295	1,635,654	4,693,949

### Cash and cash equivalents, beginning of year

### Cash and cash equivalents, end of year

14,328,937	6,156,735	20,485,672
\$ 17,387,232	\$ 7,792,389	\$ 25,179,621

### Reconciliation of operating loss to net cash provided by operating activities

Operating loss  
Adjustments to reconcile operating income to net cash  
Depreciation  
(Increase) in current assets  
Receivables  
Prepaid carriage costs  
Increase in current liabilities  
Accounts payable and accrued liabilities  
Unearned revenue  
Adjustments  
Net cash provided by operating activities

\$ (1,691,395)	\$ -	\$ (1,691,395)
-	-	-
2,082,887	-	2,082,887
(312,477)	-	(312,477)
379,324	-	379,324
1,758,007	-	1,758,007
1,130,046	-	1,130,046
5,037,787	-	5,037,787
\$ 3,346,392	\$ -	\$ 3,346,392

### Non-cash activities

Change in value of investments

\$ 183,872	\$ -	\$ 183,872
------------	------	------------

### Reconciliation of capital contributions

Capital contributions  
Less capital contributions receivable  
Cash flows from capital contributions

\$ 139,602	\$ 12,176,391	\$ 12,315,993
-	(3,356,033)	(3,356,033)
\$ 139,602	\$ 8,820,358	\$ 8,959,960

See accompanying Notes to Financial Statements.

### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Reporting Entity**

The Subdistrict was established July 6, 1970, pursuant to the Water Conservancy Act. The Subdistrict is governed by a 12-member Board of Directors, which is appointed by the presiding district court judges of four of the five judicial districts located wholly or partially within Subdistrict boundaries. The financial statements of the Subdistrict have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities and as promulgated by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The Subdistrict is a special-purpose government engaged in business-type activities. Therefore, only enterprise fund financial statements are presented. For financial reporting purposes, management has considered all potential component units. The Subdistrict meets the criteria of an "other stand-alone government" as defined in GASB Statement No. 39.

The Subdistrict accounts for its financial operations as proprietary funds recognizing assets, liabilities, revenues and expenses on the accrual basis of accounting. Accordingly, revenues and expenses are recognized in the period earned and incurred, respectively, regardless of the timing of related cash flows.

The Windy Gap Enterprise Fund accounts for the activities of the Windy Gap Project, which provides wholesale water supplies to participating Northern Colorado municipalities, water districts and a power authority. The Windy Gap Firming Project Enterprise Fund accounts for the activities of WGFP aimed at developing a dedicated water storage facility to make the water supplies of the Windy Gap Project more reliable.

GASB Statement No. 34 sets forth minimum criteria for the determination of major funds. Both Windy Gap and WGFP met this criteria at September 30, 2020.

#### **Assets, Liabilities and Net Position**

##### ***Cash and Cash Equivalents, Unrestricted***

Cash and cash equivalents are considered to be cash deposits and short-term investments with original maturities of three months or less from the date of acquisition. Certain cash balances are held in the Colorado Statewide Investment Pool (CSIP), a local government investment pool. The State Securities Commissioner administers and enforces State statutes governing the CSIP. CSIP seeks to maintain a stable net asset value of \$1.00 per share. Cash equivalents are reported at amortized cost, which is not considered significantly different from fair value. There are no limitations or restrictions on withdrawals. The weighted average maturity of the liquid and term portfolios is 49 days and 85 days with ratings of AAAm and AAf, respectively.

Colorado statutes require that the Subdistrict use eligible public depositories as defined by the Colorado Public Deposit Protection Act. Under the Act, amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the Act and allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to the aggregate uninsured deposits.

Cash balances have been classified as current and noncurrent consistent with the anticipated uses of the funds. Cash balances not expected to be consumed within one year are classified as noncurrent.

##### ***Investments, Unrestricted***

The Subdistrict's investments are reported at their fair value. The Subdistrict categorizes its fair value measurements within the fair value level hierarchy established by GAAP, which prioritizes the inputs to valuation techniques. Investments

categorized as Level 1 are valued using prices quoted in active markets for identical assets. Investments categorized as Level 2 are valued using a matrix pricing technique from an independent securities pricing service based on the securities' relationship to quoted benchmark prices.

The Subdistrict Board has adopted an investment policy that establishes investment standards and objectives for funds not required for current liquidity. The investment objectives are the preservation of capital (safety), liquidity, return and diversification. The investment policy allows the following investments:

- U.S. Treasury Obligations guaranteed by the U.S. Government
- Federal Agency and Instrumentality Securities, including those issued by or fully guaranteed by federal agencies or U.S. government-sponsored enterprises
- Time Certificates of Deposit in FDIC-insured state or nationally-chartered banks or savings banks
- Negotiable Certificates of Deposit issued by any bank organized and operating within the United States
- Corporate Bonds issued by a corporation or bank organized and operating within the United States and denominated in U.S. dollars
- Municipal Bonds representing general and revenue obligations of or under the authority of any state in the United States or any political subdivision of such a government entity
- Commercial Paper where the issuer's commercial paper program's size exceeds \$200 million
- Bankers Acceptances issued by FDIC-insured state or national banks with combined capital and surplus of at least \$250 million
- Repurchase Agreements collateralized by U.S. Treasury Obligations and Federal Instrumentality Securities
- Local Government Investment Pools authorized under Colorado state statute
- Money Market Mutual Funds registered under the Investment Company Act of 1940 and authorized under Colorado state statute

Investment balances have been classified as noncurrent consistent with the anticipated uses of the funds.

### ***Accounts Receivable***

As further described in Note 8 Intergovernmental Transactions, receivables at September 30, 2020, consisted primarily of participant capital contributions to be transferred to WGFP from Northern Water. The Subdistrict does not provide an allowance for uncollectible receivable balances as the receivables are considered fully collectible.

### ***Water Inventory***

The Subdistrict is permitted to use storage capacity in Lake Granby, a water storage feature of the C-BT Project, in accordance with its Carriage Contract with Reclamation and Northern Water. The agreement specifies that when Lake Granby's storage capacity is needed for storage of water under C-BT Project water rights, Windy Gap participants are required to take delivery of their stored water or that water must be spilled. There was no Windy Gap water inventory at September 30, 2020.

### ***Prepaid Carriage Costs and Unearned Revenue***

Windy Gap participants pay carriage costs of water delivery charges for use of the C-BT Project conveyance and storage system and pumping energy charges based on estimates of water to be delivered during the coming water season. Estimates paid by participants over actual costs incurred represent unearned revenue. Prepaid balances represent estimated advance payments made to Reclamation.

### ***Capital Assets***

Capital assets consist primarily of the Windy Gap water diversion project, WG and WGFP construction in progress. In accordance with Subdistrict policy, costs incurred for infrastructure projects, including labor, environmental impact, engineering, feasibility and other studies, are capitalized at historical cost. When construction of a project is complete, accumulated costs are depreciated over the estimated useful life of the project. If a project does not become operational or does not benefit other projects, the accumulated costs are charged to expense in the period such determination is made.

Water rights are considered intangible, have an indefinite useful life, and are not depreciated or amortized. Capital assets, other than infrastructure assets, are defined by the Subdistrict as those with an initial individual cost of more than \$5,000. All capital assets are reported at their historical cost.

Maintenance and repair charges that do not increase the capacity or efficiency of an asset or extend its useful life beyond the original estimate are charged to current period operating expenses as incurred. Upon retirement or other disposition of capital assets, the costs and related accumulated depreciation are removed from the respective accounts and any gains or losses are reflected as nonoperating revenues or expenses.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Equipment	3 - 5
Buildings and improvements	10 - 25
Water diversion project	40

**Accounts Payable and Accrued Liabilities**

As further discussed in Note 8 Intergovernmental Transactions, accounts payable and accrued liabilities included approximately \$4.5 million due to Northern Water.

**Net Position**

The accompanying financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted net position for capital projects and unrestricted net position. When both restricted and unrestricted resources are available for use, it is the Subdistrict’s policy to use restricted resources for their specified purposes first, then unrestricted as needed.

**Operating Revenues and Expenses**

Operating revenues and expenses for proprietary enterprise funds are those that result from providing services and delivering goods in connection with the funds’ principal ongoing operations. Windy Gap operating revenues consist primarily of annual assessments charged to participants in accordance with the terms of their allotment contracts. The annual assessments are independent of whether or not the participants take delivery of water. Operating expenses include operations, engineering, environmental services and administrative costs associated with providing untreated water and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. WGFP is not yet in operation and, therefore, has no operating revenues or expenses.

**Capital Contributions**

WGFP participants entered into agreements to fund anticipated current year project costs. Capital contributions relating to the preconstruction period are recognized as voluntary nonexchange transactions as of the effective date of those agreements. No non-cash items are included as capital contributions.

**2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Tax Revenue, Spending and Multiple-Fiscal Year Debt and Other Financial Obligation Limitations**

Article X, Section 20, of the Colorado Constitution contains limitations on the ability of state and local governmental entities to increase taxes, revenues and spending and to enter into multiple-fiscal year direct or indirect debt or other financial obligations. However, these limitations do not apply to “enterprises” as defined in the constitutional provision. The Subdistrict’s Windy Gap Water Activity Enterprise and Windy Gap Firming Project Water Activity Enterprise have been established as “water activity enterprises” in accordance with Colorado statutes and, as “enterprises,” are excluded from the application of these constitutional restrictions.

### Budgetary Data

The budget process is a year-long effort to align the Subdistrict's long-term mission and values with actionable items at a program level.

Task	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
Key goals and objectives formulated									
Major budget assumptions identified									
Final budget recommendations made by division directors									
Budget officers appointed by the Subdistrict Board and budget reports prepared									
Budget delivered to the Subdistrict Board									
Public hearing held and budget adopted by the Subdistrict Board									
File budget with the Colorado State Division of Local Government									

The level of control (level at which expenses may not exceed appropriations) is maintained at the department, capital-outlay and debt-service levels. No commitment is authorized, nor any expenditure incurred, until it is determined that adequate appropriation balances exist for that purpose. Material purchase orders that would result in an overrun of available funds are not released until additional appropriations are made available. Management is authorized to transfer budget amounts between departments; however, any revisions that exceed the appropriated balances must be approved by the Subdistrict Board. Unused appropriations lapse at the end of each fiscal year. The overall objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Subdistrict Board.

Annual budgets are adopted for all funds on a basis consistent with GAAP with the following exceptions:

- Depreciation is not budgeted
- Capital outlays are treated as nonoperating expense uses

### 3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at September 30, 2020, were unrestricted. Balances were as follows:

Fund	Current Unrestricted	Noncurrent Unrestricted	Total Cash and Cash Equivalents
<b>Windy Gap</b>			
Deposits	\$ 10,519,108	\$ -	\$ 10,519,108
Local Government Investment Pool/Money Market Funds	6,835,235	32,889	6,868,124
Windy Gap	17,354,343	32,889	17,387,232
<b>Windy Gap Firming Project</b>			
Deposits	7,792,389	-	7,792,389
Cash and cash equivalents	\$ 25,146,732	\$ 32,889	\$ 25,179,621

There is no custodial credit risk for deposits held since all are eligible public depositories pursuant to Colorado's Public Deposit Program (PDPA).



## 4 INVESTMENTS

Investments at September 30, 2020, were unrestricted. Balances by investment type were as follows:

<b>Investment Type</b>	<b>Current Unrestricted</b>
U.S. Government Securities	\$ 1,999,371
Federal Agency Securities	2,281,495
Federal Agency Collateralized Mortgage Obligations	400,199
Negotiable Certificates of Deposit	612,918
Supranationals	850,248
Municipal Obligations	1,785,124
Corporate Notes	317,006
Investments	<u>\$ 8,246,361</u>

Investment balances at September 30, 2020, by level hierarchy were as follows:

<b>Investment Type</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Fair Value</b>
U.S. Government Securities	\$ 1,999,371	\$ -	\$ 1,999,371
Federal Agency Securities	-	2,281,495	2,281,495
Federal Agency Collateralized Mortgage Obligations	-	400,199	400,199
Negotiable Certificates of Deposit	-	612,918	612,918
Supranationals	-	850,248	850,248
Municipal Obligations	-	1,785,124	1,785,124
Corporate Notes	-	317,006	317,006
Investments	<u>\$ 1,999,371</u>	<u>\$ 6,246,990</u>	<u>\$ 8,246,361</u>

Note 4 continued

In accordance with the Subdistrict's investment policy, investments are limited to those meeting the following criteria:

<b>Investment Type</b>	<b>Maximum Portfolio Percentage</b>	<b>Maximum Issuer Percentage</b>	<b>Maximum Maturity Restrictions</b>	<b>Rating Restrictions</b>
U.S. Treasury Obligations	100%	100%	5 years	N/A
Federal Agency and Instrumentality Securities	85%	35%	5 years	AA-(1)
Negotiable Certificates of Deposit	35%	5%	3 years	- (1)(2)
Time Certificates of Deposit	5%	1%	1 year	N/A
Corporate Bonds	35%	5%	3 years	AA-(1)
Municipal Bonds				
Colorado Issuer	35%	5%	5 years	A-(1)
Non-Colorado Issuer	35%	5%	5 years	AA-(1)
School District Certificates of Participation	35%	5%	5 years	A(1)
Commercial Paper	35%	5%	270 days	A-(1)(3)
Bankers Acceptances	35%	5%	180 days	A-(1)(3)
Repurchase Agreements	100%	25%	180 days	(4)
Local Government Investment Pools	100%	100%	N/A	AAAm/AAAf
Money Market Funds <sup>(5)</sup>	100%	100%	N/A	AAAm

The investment portfolio is limited to an aggregate exposure of 50 percent of the sum total of the following investment types: Certificates of Deposit, Negotiable Certificates of Deposit, Corporate Bonds, Commercial Paper, and Bankers Acceptances. The aggregate exposure to Municipal Bonds may not exceed 35 percent of the portfolio and no more than 5 percent of the portfolio may be invested with a single issuer with certain exceptions pursuant to the provisions of GASB 40 or to the extent the Subdistrict's investment policy is more restrictive.

<sup>(1)</sup> Rating required by two nationally-recognized statistical rating organizations.

<sup>(2)</sup> Long-term rating of at least "AA-" or the equivalent, short-term rating of at least "A-1" or the equivalent.

<sup>(3)</sup> If senior debt outstanding, senior debt must be rated "A" or the equivalent. Issuer's commercial paper program size shall exceed \$200 million.

<sup>(4)</sup> Collateralized by U.S. Treasury Obligations and Federal Agency Instrumentality Securities with collateral maturity not exceeding 10 years. Long-term credit rating of at least "A" or the equivalent; short-term rating of at least "A-1" or the equivalent.

<sup>(5)</sup> No load; constant net asset value per share of \$1.00.

Note 4 continued

At September 30, 2020, the Subdistrict had investments with the following ratings:

Investment Type	Rating	Investments	Percentage
U.S. Government Securities	AA+	\$ 1,999,371	24.2%
Federal Agency Securities	AA+	2,281,495	27.7%
Federal Agency Collateralized Mortgage Obligations	AA+	400,199	4.9%
Negotiable Certificates of Deposit	A-1	225,174	2.7%
Negotiable Certificates of Deposit	A+	154,739	1.9%
Negotiable Certificates of Deposit	AA-	233,005	2.8%
Supranationals	AAA	850,248	10.3%
Municipal Obligations	AA-	20,677	0.3%
Municipal Obligations	AA	715,692	8.7%
Municipal Obligations	AA+	239,876	2.9%
Municipal Obligations	AAA	241,421	2.9%
Municipal Obligations	Not rated	567,458	6.9%
Corporate Notes	A+	146,483	1.8%
Corporate Notes	AA	134,538	1.6%
Corporate Notes	AA+	35,985	0.4%
Investments		<u>\$ 8,246,361</u>	<u>100.0%</u>

Summary by Rating	Investments	Percentage
A-1	\$ 225,174	2.7%
A+	301,222	3.7%
AA-	253,682	3.1%
AA	850,230	10.3%
AA+	4,956,926	60.1%
AAA	1,091,669	13.2%
Not rated	567,458	6.9%
Investments	<u>\$ 8,246,361</u>	<u>100.0%</u>

### Credit and Interest Risk

Credit risk is generally considered to be the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Such risk is measured by the assignment of a rating by a nationally-recognized statistical rating organization. Concentration of credit risk derives from investments being concentrated with a single issuer. Interest rate risk is the risk that changes in market interest rates may adversely affect the fair value of an investment. At September 30, 2020, no investments were greater than 5 percent with any one issuer.

At September 30, 2020, the Subdistrict had investments with the following maturities:

Investment Type	Investment Maturities					Investments
	1 year or less	2 years or less	3 years or less	4 years or less	5 years or less	
U.S. Government Securities	\$ 86,960	\$ 955,019	\$ 230,944	\$ 628,580	\$ 97,868	\$ 1,999,371
Federal Agency Securities	-	170,314	1,029,703	-	1,081,478	2,281,495
Federal Agency Collateralized Mortgage Obligations	23,976	138,452	69,170	80,644	87,957	400,199
Negotiable Certificates of Deposit	225,174	309,449	78,295	-	-	612,918
Supranationals	-	162,790	440,446	94,896	152,116	850,248
Municipal Obligations	128,575	140,125	330,203	690,160	496,061	1,785,124
Corporate Notes	-	208,150	108,856	-	-	317,006
Investments	<u>\$ 464,685</u>	<u>\$ 2,084,299</u>	<u>\$ 2,287,617</u>	<u>\$ 1,494,280</u>	<u>\$ 1,915,480</u>	<u>\$ 8,246,361</u>

To the extent possible, Subdistrict investments are matched with anticipated cash flow requirements.

## 5 CAPITAL ASSETS

Capital asset activity for the Subdistrict enterprise funds for the year ended September 30, 2020, was as follows:

	2019	Additions	Retirements/ Other	2020
<b>Windy Gap</b>				
Non-depreciable capital assets				
Construction in progress	\$ 581,057	\$ 1,663,761	\$ (15,707)	\$ 2,229,111
Land	2,046,198	-	-	2,046,198
Water Rights	470,921	-	-	470,921
Depreciable capital assets				
Buildings, equipment and improvements	452,551	24,413	-	476,964
Water diversion project	82,167,586	-	-	82,167,586
Capital assets	<u>85,718,313</u>	<u>1,688,174</u>	<u>(15,707)</u>	<u>87,390,780</u>
Less accumulated depreciation				
Buildings, equipment and improvements	(434,983)	(3,888)	-	(438,871)
Water diversion project	(69,634,548)	(2,078,999)	-	(71,713,547)
Accumulated depreciation	<u>(70,069,531)</u>	<u>(2,082,887)</u>	<u>-</u>	<u>(72,152,418)</u>
Capital assets, net	15,648,782	(394,713)	(15,707)	15,238,362
<b>Windy Gap Firing Project</b>				
Construction in progress	57,908,138	7,788,839	-	65,696,977
Capital assets, net of accumulated depreciation	<u>\$ 73,556,920</u>	<u>\$ 7,394,126</u>	<u>\$ (15,707)</u>	<u>\$ 80,935,339</u>

## 6 WINDY GAP PRINCIPAL PARTICIPANTS BASED ON ASSESSMENTS

The following participants individually generated 5 percent or more of Windy Gap assessments for the year ended September 30:

Participant	2020
Platte River Power Authority	25.1%
Broomfield, City and County of	22.3%
Greeley, City of	14.9%
Longmont, City of	7.8%
Superior Metropolitan District No. 1	7.1%
Fort Lupton	6.8%

## 7 RISK MANAGEMENT

The Subdistrict is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Subdistrict carries commercial insurance for these risks. Settled claims resulting from these risks did not exceed commercial insurance coverage in any of the past three fiscal years.

## 8 INTERGOVERNMENTAL TRANSACTIONS

For the year ended September 30, 2020, total charges from Northern Water to the Subdistrict for operations, engineering, environmental and administrative services amounted to \$2,843,383 including carriage costs of \$937,294. The total of \$2,843,383, plus amounts outstanding of \$1,686,469 from the prior year, were payable at year end and included in accounts payable on the accompanying financial statements. In addition, Northern Water provides centralized cash receipts and disbursement functions for the Subdistrict. At September 30, 2020, WGFP receivables consisted primarily of participant capital contributions to be transferred by Northern Water.

## 9 COMMITMENTS AND CONTINGENCIES

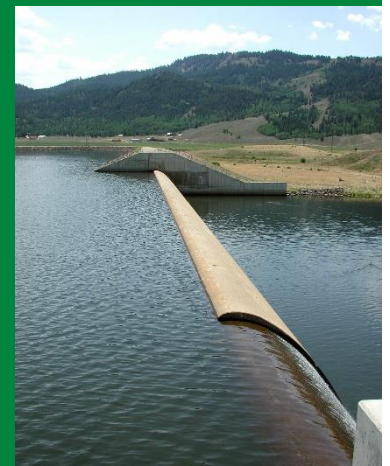
The Subdistrict has remaining commitments to fund approximately \$19 million in environmental mitigation and enhancement measures. In addition, the Subdistrict will provide water and water storage that can be used for environmental purposes valued at approximately \$40 million. In some cases, the measures are performance based and costs to be incurred reflect management's best estimates to achieve those objectives. Committed funds are expected to be paid over the next several years; however, certain of these costs are contingent upon WGFP becoming operational.

To partially fund development of the Colorado River Connectivity Channel, the Subdistrict has entered into subgrant agreements with Trout Unlimited totaling approximately \$6.0 million. In addition, the Subdistrict has directly entered into a grant agreement with the CWCB for approximately \$735,000. Under the terms of the agreements, the Subdistrict will be reimbursed for certain costs incurred for the project. As of September 30, 2020, approximately \$6.2 million remained available under the grant and subgrant agreements.

In 2020 WGFP entered into a \$485 million contract for construction of the Chimney Hollow Reservoir dam. This amount was largely outstanding at year end. In addition, Windy Gap entered into a \$1.7 million agreement for Colorado River Connectivity Channel design services. Of this amount, \$550,000 was outstanding at year end.

In addition, in the normal course of business, there are various outstanding legal proceedings, claims, commitments and contingent liabilities. In the opinion of management, the ultimate disposition of these matters will not have a materially adverse effect on the Subdistrict's financial statements.





## **SUPPLEMENTARY INFORMATION**

## Schedule of Revenues and Expenses, Budget to Actual

### Windy Gap

Non-GAAP Budgetary Basis

	Year ended September 30, 2020			Year ended September 30, 2019 Actual
	Budget (unaudited)	Actual	Variance	
<b>Operating revenue sources</b>				
Water assessments	\$ 6,058,000	\$ 3,687,686	\$ (2,370,314)	\$ 3,407,426
Other operating revenues	-	-		6,286
Operating revenue sources	6,058,000	3,687,686	(2,370,314)	3,413,712
<b>Operating expense uses</b>	(6,249,161)	(3,256,617)	2,992,544	(3,281,642)
Operating revenue sources over (under) expense uses	(191,161)	431,069	622,230	132,070
<b>Nonoperating revenue sources</b>				
Capital contributions	1,855,000	139,602	(1,715,398)	252,198
Intergovernmental grants	-	141,863	141,863	-
Earnings on investments	572,200	634,152	61,952	672,708
Other nonoperating revenues	26,900	-	(26,900)	20,097
Nonoperating revenue sources	2,454,100	915,617	(1,538,483)	945,003
<b>Nonoperating expense uses</b>				
Capital purchases and project expenditures	(2,247,700)	(1,712,044)	535,656	(425,174)
Other capital project expenditures	-	-	-	(264,619)
Contingency appropriation	(250,000)	-	250,000	-
Nonoperating expense uses	(2,497,700)	(1,712,044)	785,656	(689,793)
Nonoperating revenue sources over (under) expense uses	(43,600)	(796,427)	(752,827)	255,210
Revenue sources over (under) expenses uses	<u>\$ (234,761)</u>	<u>(365,358)</u>	<u>\$ (130,597)</u>	387,280
<b>Adjustments to reconcile budgetary basis to GAAP basis</b>				
Capital purchases and project costs		1,672,467		425,174
Depreciation		(2,082,887)		(2,081,291)
Decreases in net position		<u>\$ (775,778)</u>		<u>\$ (1,268,837)</u>

## Schedule of Revenues and Expenses, Budget to Actual

### Windy Gap FIRMING Project

Non-GAAP Budgetary Basis

	Year ended September 30, 2020			Year ended September 30, 2019 Actual
	Budget (unaudited)	Actual	Variance	
<b>Nonoperating revenue sources</b>				
Capital contributions				
Participant contributions	\$ 563,500,000	\$ 12,000,000	\$ (551,500,000)	\$ 10,000,000
Earnings on investments and rental income	67,000	176,391	109,391	134,111
Nonoperating revenue sources	563,567,000	12,176,391	(551,390,609)	10,134,111
<b>Nonoperating expense uses</b>				
Capital project expenditures	(74,210,000)	(7,788,839)	66,421,161	(10,352,183)
Nonoperating expense uses	(74,210,000)	(7,788,839)	66,421,161	(10,352,183)
Nonoperating revenue sources over (under) expense uses	<u>\$ 489,357,000</u>	<u>4,387,552</u>	<u>\$ (484,969,448)</u>	<u>(218,072)</u>
<b>Adjustments to reconcile budgetary basis to GAAP basis</b>				
Capital project expenditures under GAAP		<u>7,788,839</u>		<u>10,352,183</u>
Increases in net position		<u>\$ 12,176,391</u>		<u>\$ 10,134,111</u>

Budget to actual variance due to timing of construction project moving forward.

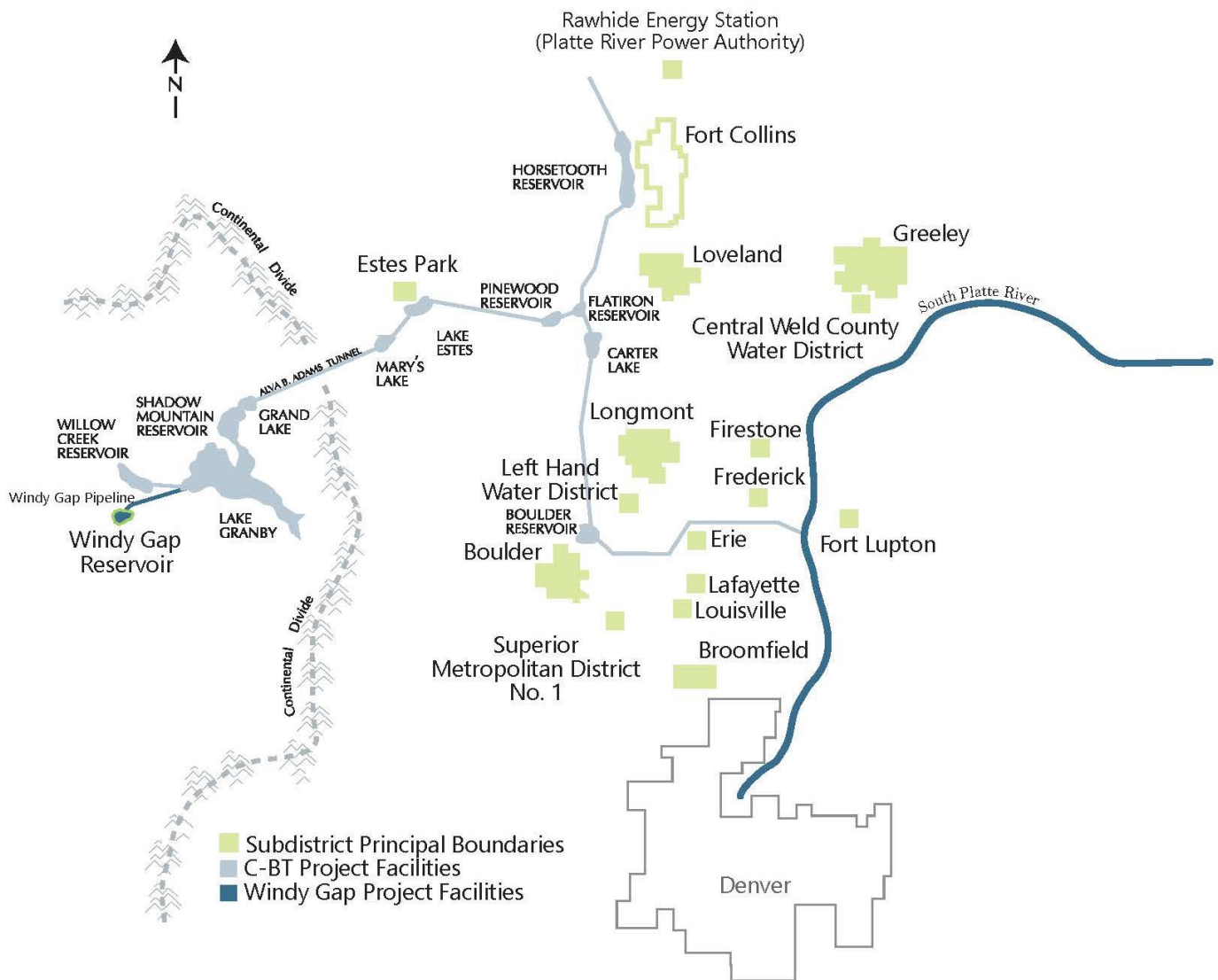




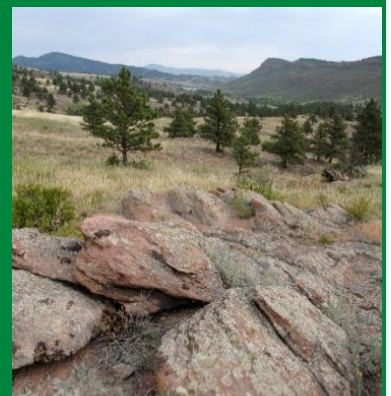
## STATISTICAL

This part of the Subdistrict's Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding information in the financial statements, note disclosures and supplementary information. Unless otherwise noted, the statistical information is derived from the CAFRs and underlying accounting, allotment and operation information of the Subdistrict.

## MAP OF SUBDISTRICT PARTICIPANTS







## FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the Subdistrict's financial performance has changed over time.

# Statement of Revenues, Expenses and Changes in Net Position and Net Position by Component (2011-2020)<sup>(1)</sup>

Years ended September 30,  
Unaudited

	2020	2019	2018	2017 <sup>(2)</sup>	2016
<b>Operating revenues</b>					
Assessments	\$ 3,687,686	\$ 3,407,426	\$ 3,615,652	\$ 2,959,905	\$ 12,873,962
Other operating income	-	6,286	29,785	-	-
Operating revenue	3,687,686	3,413,712	3,645,437	2,959,905	12,873,962
<b>Operating Expenses</b>					
Operations	2,383,187	2,562,743	2,456,538	1,813,030	1,514,945
Administration	555,824	640,374	856,587	894,621	604,070
Environmental Services <sup>(3)</sup>	322,443	295,559	-	-	-
Engineering	34,740	47,585	224,081	266,694	175,590
Depreciation	2,082,887	2,081,291	2,081,291	2,079,764	2,078,999
Operating expenses	5,379,081	5,627,552	5,618,497	5,054,109	4,373,604
Operating Income (loss)	(1,691,395)	(2,213,840)	(1,973,060)	(2,094,204)	8,500,358
<b>Nonoperating revenues (expenses)</b>					
Earnings on investments	634,152	672,708	120,867	129,556	166,206
Interest expense	-	-	-	-	(638,455)
Intergovernmental grants	141,863	-	-	-	-
Loss on defeasance of water revenue bonds	-	-	-	-	(864,629)
Other nonoperating revenues, net	-	20,097	44,957	73,820	342,442
Nonoperating revenues, net	776,015	692,805	165,824	203,376	(994,436)
Income (loss) before contributions	(915,380)	(1,521,035)	(1,807,236)	(1,890,828)	7,505,922
<b>Capital contributions</b>	12,315,993.00	10,386,309	9,181,914	10,534,897	14,103,950
Increases in net position	\$ 11,400,613	\$ 8,865,274	\$ 7,374,678	\$ 8,644,069	\$ 21,609,872
<b>Net Position</b>					
Investment in capital assets	\$ 80,935,339	\$ 73,556,919	\$ 64,860,852	\$ 53,771,856	\$ 41,892,903
Restricted net position					
Debt service		-	-	-	-
Capital project	9386216	4,998,664	5,216,736	9,154,797	12,555,702
Unrestricted net position	18790414	19,155,773	18,768,494	18,544,751	18,378,730
<b>Net position</b>	\$ 109,111,969	\$ 97,711,356	\$ 88,846,082	\$ 81,471,404	\$ 72,827,335

<sup>(1)</sup> Amounts reflect the Subdistrict's two enterprise funds combined.

<sup>(2)</sup> In 2016 assessments included an amount for debt service. In 2016, Subdistrict water revenue bonds were extinguished and, consequently, beginning in 2017 assessments were reduced.

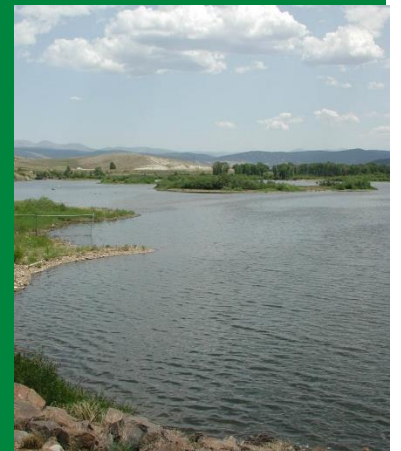
<sup>(3)</sup> Environmental Services established in 2019.

**Statement of Revenues, Expenses and Changes in Net Position and Net Position by Component (2011-2020)<sup>(1)</sup>**  
**(continued)**

Years ended September 30,  
 Unaudited

	2015	2014	2013	2012	2011
<b>Operating revenues</b>					
Assessments	\$ 13,959,770	\$ 13,524,172	\$ 13,715,876	\$ 13,292,546	\$ 13,538,859
Other operating income	-	-	-	-	-
Operating revenue	13,959,770	13,524,172	13,715,876	13,292,546	13,538,859
<b>Operating Expenses</b>					
Operations	2,878,863	2,788,801	3,374,057	2,422,523	2,630,065
Administration	539,622	479,124	642,510	832,077	805,951
Environmental Services	-	-	-	-	-
Engineering	117,402	160,445	223,415	166,293	133,176
Depreciation	2,078,999	2,078,999	2,060,125	2,041,474	2,047,112
Operating expenses	5,614,886	5,507,369	6,300,107	5,462,367	5,616,304
Operating Income (loss)	8,344,884	8,016,803	7,415,769	7,830,179	7,922,555
<b>Nonoperating revenues (expenses)</b>					
Earnings on investments	180,024	124,093	117,006	62,237	96,932
Interest expense	(1,325,146)	(1,784,178)	(2,214,668)	(2,575,659)	(3,001,470)
Intergovernmental grants	-	-	-	-	-
Loss on defeasance of water revenue bonds	-	-	-	-	-
Other nonoperating revenues, net	55,695	44,107	275,177	19,704	40,757
Nonoperating revenues, net	(1,089,427)	(1,615,978)	(1,822,485)	(2,493,718)	(2,863,781)
Income (loss) before contributions	7,255,457	6,400,825	5,593,284	5,336,461	5,058,774
<b>Capital contributions</b>	1,469,333	2,336,001	-	1,999,998	-
Increases in net position	\$ 8,724,790	\$ 8,736,826	\$ 5,593,284	\$ 7,336,459	\$ 5,058,774
<b>Net Position</b>					
Investment in capital assets	\$ 29,565,993	\$ 21,741,075	\$ 13,873,621	\$ 7,923,924	\$ 2,623,507
Restricted net position					
Debt service	12,616,627	12,289,137	12,013,764	12,022,534	11,842,320
Capital project	222,835	756,453	637,669	1,088,872	-
Unrestricted net position	8,812,008	7,706,008	7,230,793	7,734,372	6,967,416
<b>Net position</b>	\$ 51,217,463	\$ 42,492,673	\$ 33,755,847	\$ 28,769,702	\$ 21,433,243

<sup>(1)</sup> Amounts reflect the Subdistrict's two enterprise funds combined.



## REVENUE CAPACITY

These schedules contain information to help the reader assess the Subdistrict's primary revenue sources.

## Windy Gap Assessments by Participant (2011-2020)

Years ended September 30,  
Unaudited

Participant	2020	2019	2018	2017 <sup>(1)</sup>	2016
Platte River Power Authority	\$ 1,037,240	\$ 770,578	\$ 764,404	\$ 850,402	\$ 4,918,223
Broomfield, City and County of	847,981	611,804	588,366	481,468	1,993,171
Greeley, City of	667,594	544,381	489,463	302,637	1,628,167
Longmont, City of <sup>(2)</sup>	544,897	763,127	(3,661)	389,629	1,853,861
Loveland, City of	353,209	159,181	184,120	153,881	953,243
Erie, Town of	288,356	153,531	271,237	108,344	560,716
Superior Metropolitan District No. 1	230,679	174,855	164,589	142,135	542,502
Fort Lupton, City of	227,138	211,485	147,221	35,136	120,724
Boulder, City of	167,153	189,345	163,058	148,469	910,645
Little Thompson Water District	107,928	87,679	72,176	51,954	302,120
Louisville, City of	91,619	64,969	27,668	22,732	143,911
Frederick, Town of	61,831	95,869	-	-	-
Central Weld County Water District	44,763	10,887	9,039	12,130	39,239
Firestone, Town of	44,163	68,478	-	-	-
Berthoud, Town of	37,705	41,087	-	-	-
Estes Park, Town of	36,961	24,920	27,681	20,440	79,046
Lafayette, City of	28,411	14,532	31,682	3,701	23,897
Unearned revenue adjustment	(1,129,942)	(579,282)	678,609	236,847	(1,195,503)
Assessments	\$ 3,687,686	\$ 3,407,426	\$ 3,615,652	\$ 2,959,905	\$ 12,873,962

<sup>(1)</sup> Lower assessment beginning in 2017 result from the extinguishment of Subdistrict water revenue bonds in 2016.

<sup>(2)</sup> Negative assessment in 2018 reflects current year assessment less than prior year estimate to actual adjustment.

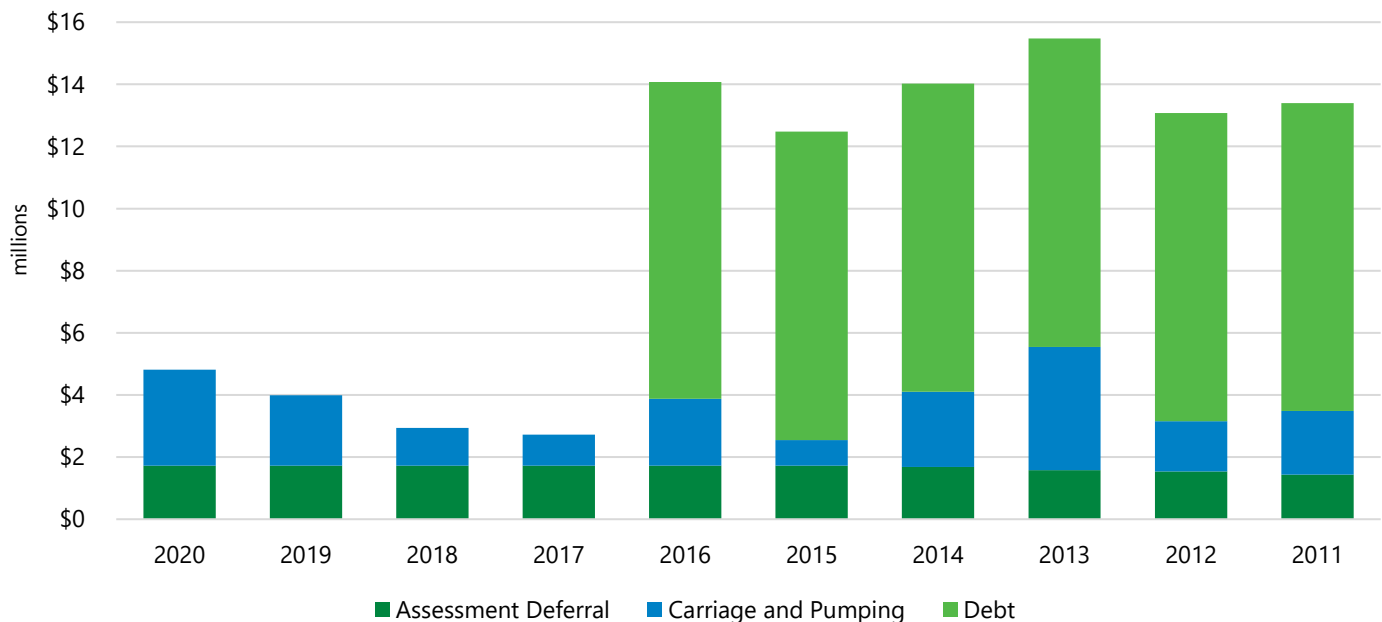


## Windy Gap Assessments by Participants (2011-2020) (continued)

Years ended September 30,  
Unaudited

Participant	2015	2014	2013	2012	2011
Platte River Power Authority	\$ 4,604,577	\$ 4,575,200	\$ 4,869,952	\$ 4,327,875	\$ 4,372,347
Broomfield, City and County of	1,645,257	823,939	1,020,464	427,794	438,421
Greeley, City of	1,360,400	2,083,128	2,181,730	1,887,647	1,820,399
Longmont, City of	1,736,904	2,509,157	2,378,341	1,898,498	2,120,995
Loveland, City of	931,557	1,018,408	1,061,399	963,042	999,468
Erie, Town of	389,141	474,128	459,202	444,606	416,419
Superior Metropolitan District No. 1	501,778	480,735	531,523	513,991	496,906
Fort Lupton, City of	121,213	85,046	110,623	86,295	105,246
Boulder, City of	956,179	1,693,008	1,972,529	2,251,034	2,340,919
Little Thompson Water District	-	-	-	-	-
Louisville, City of	103,659	146,270	167,330	144,341	150,755
Frederick, Town of	-	-	-	-	-
Central Weld County Water District	30,276	28,548	30,779	27,486	27,665
Firestone, Town of	-	-	-	-	-
Berthoud, Town of	-	-	-	-	-
Estes Park, Town of	77,521	82,728	88,707	78,938	84,444
Lafayette, City of	23,285	24,307	27,236	24,002	24,631
Unearned revenue adjustment	1,478,023	(500,430)	(1,183,939)	216,997	140,244
Assessments	\$ 13,959,770	\$ 13,524,172	\$ 13,715,876	\$ 13,292,546	\$ 13,538,859

Annual Assessments<sup>(1)</sup>



<sup>(1)</sup> Graph of Annual Assessments does not reflect unearned revenue.

## Statement of Windy Gap Participant Units

September 30

Unaudited

Participants	2020		
	Units	Acre-Feet	Percentage
Platte River Power Authority <sup>(1)</sup>	120	12,000	25.0%
Longmont, City of <sup>(1)</sup>	80	8,000	16.7
Broomfield, City and County of <sup>(1)</sup>	56	5,600	11.7
Greeley, City of <sup>(1)</sup>	49	4,900	10.2
Loveland, City of <sup>(1)</sup>	40	4,000	8.4
Boulder, City of	37	3,700	7.7
Erie, Town of <sup>(1)</sup>	20	2,000	4.2
Little Thompson Water District <sup>(1)</sup>	19	1,900	3.9
Superior Metropolitan District No. 1 <sup>(1)</sup>	15	1,500	3.1
Fort Lupton, City of <sup>(1)</sup>	13	1,300	2.7
Louisville, City of <sup>(1)</sup>	9	900	1.9
Frederick, Town of	7	700	1.5
Firestone, Town of	5	500	1.0
Estes Park, Town of	3	300	0.6
Lafayette, City of <sup>(1)</sup>	3	300	0.6
Berthoud, Town of	3	300	0.6
Central Weld County Water District <sup>(1)</sup>	1	100	0.2
Total	<b>480</b>	<b>48,000</b>	<b>100.0%</b>

<sup>(1)</sup> These participants are also participants in WGFP.

## Windy Gap Carriage, Energy and Wheeling Charges (2011-2020)

September 30  
Unaudited

Carriage charges <sup>(1)</sup>	2020 <sup>(2)</sup>	2019	2018	2017	2016 <sup>(3)</sup>
Reclamation <sup>(4)</sup>					
6(b) Charge for in-lieu water <sup>(1)</sup>	\$ 34.00	\$ -	\$ -	\$ -	\$ -
6(c) ii Farr Pumping Plant	2.42	2.51	2.42	2.88	3.22
6(c) iii Flatiron Pumping Plant	5.45	5.25	5.22	6.10	6.89
6(e) Operations and maintenance	10.16	9.17	11.00	9.18	7.12
7(e) Service charge <sup>(1)</sup>	-	2.85	2.85	2.85	2.85
Reclamation carriage charges	52.03	19.78	21.49	21.01	20.08
Northern Water					
7(a) Adams tunnel conveyance	0.26	0.26	0.26	0.26	0.26
7(b)(d) Operations, maintenance and administrative costs	104.62	75.83	81.22	70.32	63.22
8(e) Service charge <sup>(1)</sup>	-	2.85	2.85	2.85	2.85
Northern Water carriage charges	104.88	78.94	84.33	73.43	66.33
Carriage charges	156.91	98.72	105.82	94.44	86.41
<b>Energy and wheeling charges</b>	-	22.06	22.45	-	-
Carriage, energy and wheeling charges	\$ 156.91	\$ 120.78	\$ 128.27	\$ 94.44	\$ 86.41
Water pumped (acre-feet) <sup>(5)</sup>	-	12,538	26,235	-	-
Water delivered to participants (acre feet)	12,739	13,842	16,135	13,049	11,294
Adams Tunnel total conveyance (acre feet) <sup>(6)</sup>	211,451.00	289,294	236,479	240,304	243,543

<sup>(1)</sup> References are to the appropriate section in the Subdistrict 2014 carriage contract with Reclamation and Northern Water. The contract became effective in fiscal year 2020. Service charges under paragraph 7(e) and 8(e) no longer applicable. These charges were replaced by the 6(b) charge for in-lieu water.

<sup>(2)</sup> 2020 charges higher in general due to implementation of the 2014 carriage contract.

<sup>(3)</sup> Carriage charges are calculated, in part, based on total water conveyed through the C-BT Project Adams Tunnel, which was at an abnormally low level in 2015.

<sup>(4)</sup> Amounts prior to 2020 excluded a fixed annual carriage charge from Reclamation of \$84,525. This charge no longer applies to the 2014 carriage contract.

<sup>(5)</sup> No water pumped in certain years as a result of the lack of available storage capacity for Windy Gap Project water in the C-BT Project

<sup>(6)</sup> Conveyance included Windy Gap Project water and C-BT Project in-lieu water.

## Windy Gap Carriage, Energy and Wheeling Charges (2011-2020) (continued)

September 30  
Unaudited

Carriage charges <sup>(1)</sup>	2015 <sup>(3)</sup>	2014	2013	2012 <sup>(4)</sup>	2011
Reclamation <sup>(2)</sup>					
6(b) Charge for in-lieu water	\$ -	\$ -	\$ -	\$ -	\$ -
6(c) ii Farr Pumping Plant	3.07	3.53	3.92	3.29	3.14
6(c) iii Flatiron Pumping Plant	7.25	6.60	6.63	6.52	6.03
6(e) Operations and maintenance	16.05	9.34	9.60	29.04	18.11
7(e) Service charge <sup>(1)</sup>	2.85	2.85	0.00	2.85	2.85
Reclamation carriage charges	29.22	22.32	20.15	41.70	30.13
Northern Water					
7(a) Adams tunnel conveyance	0.26	0.26	0.26	0.26	0.26
7(b)(d) Operations, maintenance and ad	134.89	76.62	66.64	56.31	62.9
8(e) Service charge <sup>(1)</sup>	2.85	2.85	0	2.85	2.85
Northern Water carriage charges	138.00	79.73	66.90	59.42	66.01
Carriage charges	167.22	102.05	87.05	101.12	96.14
<b>Energy and wheeling charges</b>	-	35.99	33.30	22.93	28.67
Carriage, energy and wheeling charges	\$ 167.22	\$ 138.04	\$ 120.35	\$ 124.05	\$ 124.81
Water pumped (acre-feet) <sup>(4)</sup>	-	-	45,061	5,145	-
Water delivered to participants (acre feet)	13,964.00	12,627	19,536	16,774	18,023
Adams Tunnel total conveyance (acre feet) <sup>(5)</sup>	113,856.00	203,467	236,268	289,890	245,284

<sup>(1)</sup> References are to the appropriate section in the Subdistrict 2014 carriage contract with Reclamation and Northern Water. The contract became effective in fiscal year 2020.

<sup>(2)</sup> Amounts prior to 2020 excluded a fixed annual carriage charge from Reclamation of \$84,525. This charge no longer applies to the 2014 carriage contract.

<sup>(3)</sup> Carriage charges are calculated, in part, based on total water conveyed through the C-BT Project Adams Tunnel, which was at an abnormally low level in 2015.

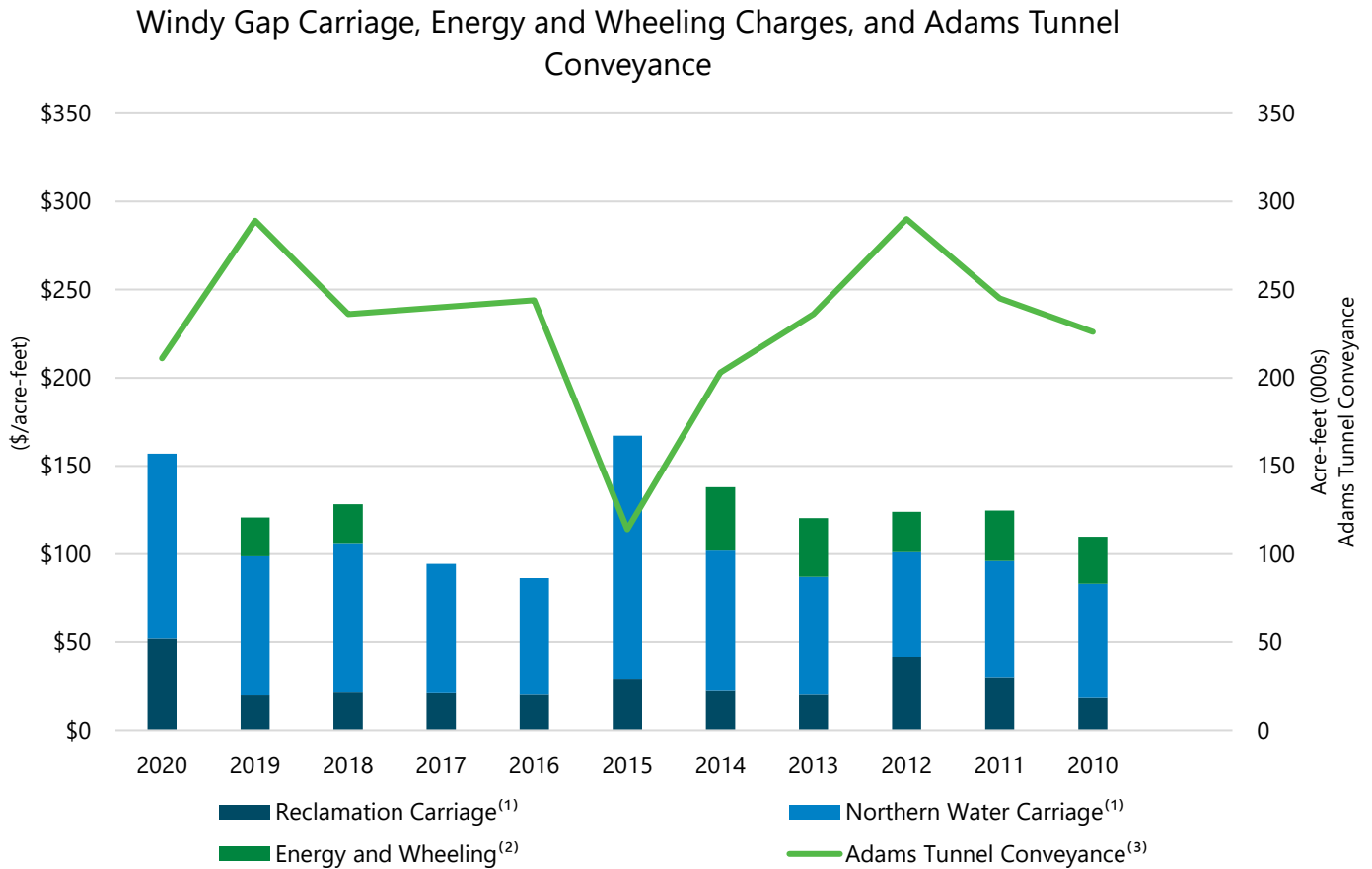
<sup>(4)</sup> Increase in Reclamation operations and maintenance charges due to repair and extraordinary maintenance items (RAX).

<sup>(5)</sup> No water pumped in certain years as a result of the lack of available storage capacity for Windy Gap Project water in the C-BT Project.

<sup>(6)</sup> Conveyance included Windy Gap Project water and C-BT Project in-lieu water.

## Windy Gap Carriage, Energy and Wheeling Charges (2011-2020) (continued)

September 30  
Unaudited



<sup>(1)</sup> Carriage – Charges are for the use of the C-BT Project storage and conveyance system.

<sup>(2)</sup> Energy and Wheeling – Charges are for pumping Windy Gap Project water from the Windy Gap Reservoir to Lake Granby.

<sup>(3)</sup> Adams Tunnel Conveyance (C-BT Project and Windy Gap Project water) – Carriage charges are calculated based on total water carried through the Adams Tunnel. As less water is conveyed through the tunnel, carriage costs increase.



**DEMOGRAPHIC AND ECONOMIC INFORMATION**

These schedules offer demographic and economic indicators to help the reader understand the environmental within which the Subdistrict’s financial activities take place.



## Population and Economic Statistics by Principal Cities Served by the Subdistrict (2011-2020)<sup>(1)</sup>

Unaudited

	2020 <sup>(2)</sup>	2019	2018	2017	2016
<b>Boulder, City of</b>					
Estimated population	108,000	107,000	108,000	107,000	105,000
Unemployment rate	2.0%	3.3%	3.0%	2.2%	2.8%
School enrollment	30,302	29,766	29,822	29,673	29,702
Per capita income <sup>(3)</sup>	N/A	\$ 73,394	\$ 68,027	\$ 63,707	\$ 60,220
Personal income(000s) <sup>(3)</sup>	N/A	\$ 23,932,000	\$ 21,940,000	\$ 20,528,000	\$ 19,233,000
<b>Broomfield, City and County of<sup>(4)</sup></b>					
Estimated population	71,152	69,453	68,110	66,404	64,765
Unemployment rate	2.5%	2.9%	2.5%	2.8%	3.3%
School enrollment	11,950	11,848	11,746	11,451	11,513
Per capita income <sup>(3)</sup>	\$ 68,550	\$ 66,410	\$ 63,170	\$ 60,403	\$ 58,698
Personal income(000s) <sup>(3)</sup>	\$ 4,850,000	\$ 4,612,374	\$ 4,302,509	\$ 4,011,001	\$ 3,801,576
<b>Greeley, City of</b>					
Estimated population	110,263	107,457	104,557	103,037	101,048
Unemployment rate	4.2%	3.5%	2.8%	2.6%	3.5%
School enrollment	22,467	22,878	22,820	22,547	21,440
Per capita income <sup>(3)</sup>	N/A	\$ 46,172	\$ 44,080	\$ 50,483	\$ 42,787
Personal income(000s) <sup>(3)</sup>	N/A	\$ 4,961,505	\$ 4,608,873	\$ 5,201,617	\$ 4,323,541
<b>Longmont, City of</b>					
Estimated population	97,530	96,192	94,777	93,933	92,852
Unemployment rate	3.2%	3.3%	2.6%	2.2%	2.6%
School enrollment	32,855	32,639	32,421	32,171	31,777
Per capita income <sup>(3)</sup>	\$ 73,394	\$ 68,027	\$ 63,707	\$ 60,220	\$ 58,627
Personal income(000s) <sup>(3)</sup>	\$ 7,158,117	\$ 6,543,653	\$ 6,037,958	\$ 5,656,645	\$ 5,443,634
<b>Loveland, City of</b>					
Estimated population	77,231	75,840	75,655	74,427	74,349
Unemployment rate	2.3%	2.9%	2.5%	3.2%	3.8%
School enrollment	13,794	14,032	14,186	14,287	14,107
Per capita income <sup>(3)</sup>	\$ 54,188	\$ 50,539	\$ 47,117	\$ 45,318	\$ 43,584
Personal income(000s) <sup>(3)</sup>	\$ 4,184,993	\$ 3,832,878	\$ 3,564,637	\$ 3,372,883	\$ 3,240,427
<b>Estimated population in</b>					
Subdistrict area <sup>(5)</sup>	1,020,792	1,000,013	982,678	959,455	922,233

<sup>(1)</sup> Data taken from the governments' most recent CAFRs unless otherwise indicated.

<sup>(2)</sup> N/A Certain data not yet available.

<sup>(3)</sup> Data for the Metropolitan Statistical Area.

<sup>(4)</sup> Data provided for the entire City and County of Broomfield, only a portion of which is within Subdistrict boundaries.

<sup>(5)</sup> Data from the Northern Water current year CAFR and represents the estimated population for Northern Water.

**Population and Economic Statistics by Principal Cities Served by the Subdistrict (2011-2020) (continued)<sup>(1)</sup>**

Unaudited

	2015	2014	2013	2012	2011
<b>Boulder, City of</b>					
Estimated population	105,000	102,000	101,000	98,000	97,000
Unemployment rate	3.2%	4.7%	5.6%	5.9%	6.5%
School enrollment	29,398	28,959	28,538	28,317	28,149
Per capita income <sup>(2)</sup>	\$ 58,627	\$ 54,968	\$ 54,502	\$ 51,893	\$ 50,031
Personal income(000s) <sup>(2)</sup>	\$ 18,370,000	\$ 17,042,000	\$ 16,639,000	\$ 15,536,000	\$ 14,786,000
<b>Broomfield, City and County of<sup>(3)</sup></b>					
Estimated population	61,672	60,055	58,860	57,374	56,107
Unemployment rate	4.2%	5.8%	6.6%	7.0%	7.4%
School enrollment	11,335	10,949	10,501	10,454	10,049
Per capita income <sup>(2)</sup>	\$ 57,635	\$ 55,035	\$ 55,475	\$ 56,320	\$ 54,162
Personal income(000s) <sup>(2)</sup>	\$ 3,554,466	\$ 3,305,127	\$ 3,441,838	\$ 3,231,304	\$ 3,038,867
<b>Greeley, City of</b>					
Estimated population	98,423	97,320	96,093	95,453	94,358
Unemployment rate	4.0%	7.6%	8.7%	9.7%	11.1%
School enrollment	21,183	19,821	19,840	19,762	19,546
Per capita income <sup>(2)</sup>	\$ 38,664	\$ 33,393	\$ 31,657	\$ 29,986	\$ 28,447
Personal income(000s) <sup>(2)</sup>	\$ 3,805,427	\$ 3,249,807	\$ 3,042,016	\$ 2,862,254	\$ 2,684,202
<b>Longmont, City of</b>					
Estimated population	91,911	90,219	87,854	87,850	87,461
Unemployment rate	3.1%	4.4%	5.5%	6.1%	6.8%
School enrollment	31,076	30,195	29,382	28,109	27,379
Per capita income <sup>(2)</sup>	\$ 54,968	\$ 53,772	\$ 51,893	\$ 50,697	\$ 47,489
Personal income(000s) <sup>(2)</sup>	\$ 5,052,164	\$ 4,851,256	\$ 4,559,008	\$ 4,453,731	\$ 4,153,435
<b>Loveland, City of</b>					
Estimated population	71,985	72,846	68,825	67,581	66,572
Unemployment rate	4.8%	6.5%	7.7%	8.7%	8.2%
School enrollment	14,267	14,269	14,163	14,104	14,354
Per capita income <sup>(2)</sup>	\$ 42,866	\$ 41,311	\$ 39,767	\$ 37,844	\$ 37,368
Personal income(000s) <sup>(2)</sup>	\$ 3,085,709	\$ 3,009,341	\$ 2,736,964	\$ 2,557,535	\$ 2,487,662
<b>Estimated population in</b>					
Subdistrict area <sup>(4)</sup>	893,145	878,100	859,913	858,565	842,494

<sup>(1)</sup> Data taken from the governments' most recent CAFRs unless otherwise indicated.

<sup>(2)</sup> Data for the Metropolitan Statistical Area.

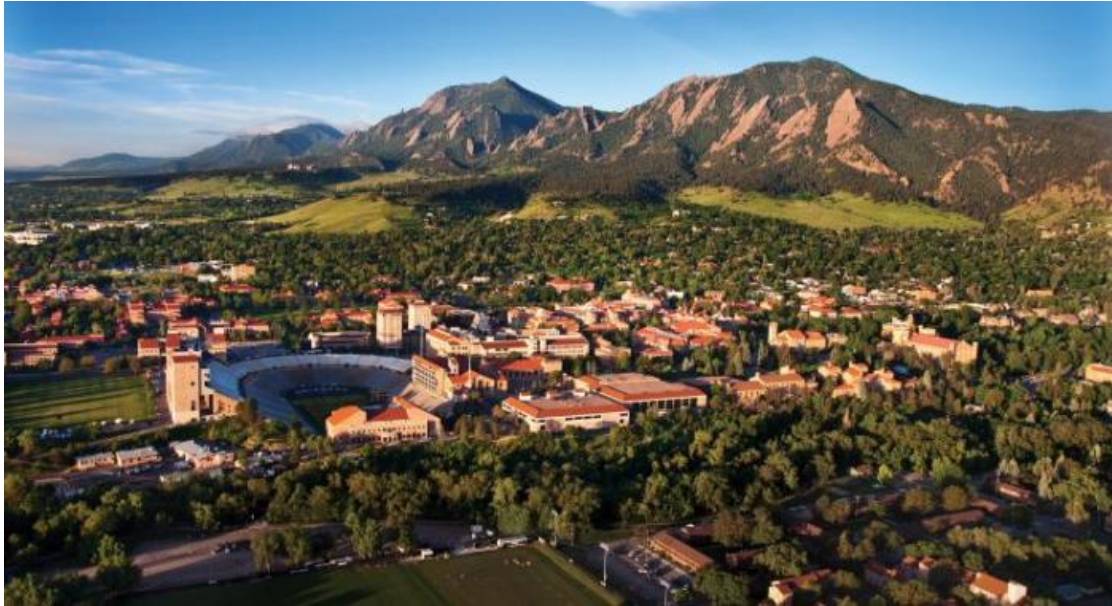
<sup>(3)</sup> Data provided for the entire City and County of Broomfield, only a portion of which is within Subdistrict boundaries.

<sup>(4)</sup> Data from the Northern Water current year CAFR and represents the estimated population for Northern Water.

## Largest Employers by Principal Cities Served by the Subdistrict (2011 and 2020)<sup>(1)</sup>

Years ended September 30

Unaudited



### Boulder, City of<sup>(2)</sup>

Employers	2020			2011		
	Rank	Number of Employees	Percentage of Employment	Rank	Number of Employees	Percentage of Employment
University of Colorado at Boulder	1	6,463	3.41%	1	7,260	4.77%
St. Vrain Valley School District <sup>(3)</sup>	2	4,661	2.46	5	3,238	2.13
Boulder Valley School District	3	4,000	2.11	2	4,000	2.63
Boulder County	4	2,008	1.06	8	1,808	1.19
Ball Corporation	5	1,600	0.84	6	3,100	2.04
IBM Corporation	6	1,400	0.74	3	3,400	2.23
Boulder, City of	7	1,351	0.71	-	-	-
Seagate Technology, LLC	8	1,300	0.68	-	-	-
Google Boulder	9	1,200	0.63	-	-	-
National Center for Atmospheric Research	10	1,187	0.63	-	-	-
Oracle Corporation	-	-	-	4	3,300	2.17
Level 3 Communications	-	-	-	7	2,068	1.36
Covidien	-	-	-	9	1,697	1.12
Boulder Community Hospital	-	-	-	10	1,674	1.10
Top ten principal employers		25,170	13.73%		31,545	20.74%

<sup>(1)</sup> Data taken or calculated from the cities' most recent CAFRs unless otherwise indicated.

<sup>(2)</sup> The City of Boulder lists the largest employers in Boulder and Broomfield Counties. Employment information specific to the City of Boulder is not available for the years presented. Effective 2017, Broomfield County, as an employer has been excluded.

<sup>(3)</sup> The St. Vrain Valley School District spans 13 different communities including eastern Boulder. Also reported under the City of Longmont.

## Largest Employers by Principal Municipalities Served by the Subdistrict (2011 and 2020) (continued)<sup>(1)</sup>

Years ended September 30

Unaudited



### Broomfield, City and County of<sup>(2)</sup>

Employers	2020			2011		
	Rank	Number of Employees	Percentage of Employment	Rank	Number of Employees	Percentage of Employment
Noodles & Company	1	2,916	30.7%	1	2,016	7.3%
CenturyLink (formerly Level 3 Communications)	2	2,360	24.8	2	1,900	6.8
Vail Resorts, Inc.	3	850	9.0	-	-	-
Sandoz, Inc.	4	661	7.0	3	787	2.8
Mountain News	5	600	6.3	5	581	2.1
Nordstrom	6	500	5.3	12	200	0.7
Omni Interlocken Resort	7	425	4.5	-	-	-
MWH Constructors	8	400	4.2	8	385	1.4
Vail Resorts, Inc.	9	400	4.2	9	300	1.1
Brocade Communication Systems, Inc.	10	385	4.1	-	-	-
Top ten principal employers		1,610	17		685	2.5
Total Employment		41,000				

<sup>(1)</sup> Data taken or calculated from the cities' most recent CAFRs unless otherwise indicated.

<sup>(2)</sup> Data provided for the entire City and County of Broomfield, only a portion of which is within Municipal Subdistrict boundaries.



## Largest Employers by Principal Municipalities Served by the Subdistrict (2011 and 2020) (continued)<sup>(1)</sup>

Years ended September 30

Unaudited



### Longmont, City of

Employers	2020			2011		
	Rank	Number of Employees	Percentage of Employment	Rank	Number of Employees	Percentage of Employment
St Vrain Valley School District <sup>(2)</sup>	1	3,543	6.45%	1	4,876	10.40%
Longmont, City of	2	1,625	2.96	4	814	1.70
Seagate Technology	3	1,430	2.60	3	1,160	2.50
Intrado	4	755	1.37	5	807	1.70
Longmont United Hospital	5	671	1.22	2	1,282	2.70
UC Health Longs Peak Hospital	6	540	0.98	-	-	-
McLane Western	7	460	0.84	7	566	1.20
Circle Graphics, Inc.	8	400	0.73	9	443	0.90
Crocs	9	345	0.63	-	-	-
Federal Aviation Administration	10	343	0.62	-	-	-
Amgen	-	-	-	6	771	1.60
DigitalGlobe	-	-	-	8	562	1.20
Butterball, LLC (Longmont Foods)	-	-	-	10	425	0.90
Top ten principal employers		10,112	18.40%		11,706	24.90%

<sup>(1)</sup> Data taken or calculated from the cities' most recent CAFRs unless otherwise indicated.

<sup>(2)</sup> The St. Vrain Valley School District spans 13 different communities including eastern Boulder. Also reported under the City of Boulder.

## Largest Employers by Principal Municipalities Served by the Subdistrict (2011 and 2020) (continued)<sup>(1)</sup>

Years ended September 30

Unaudited



### Loveland, City of

Employers	2020			2011		
	Rank	Number of Employees	Percentage of Employment	Rank	Number of Employees	Percentage of Employment
Thompson School District R2-J	1	3,615	6.96%	1	2,616	8.30%
Medical Center of the Rockies	2	1,621	3.12	2	953	3.02
Wal-Mart Distribution Center	3	1,226	2.36	4	851	2.70
Loveland, City of	4	841	1.62	7	639	2.03
Hach Company	5	800	1.54	6	741	2.35
McKee Medical Center	6	577	1.11	3	940	2.98
Nutrein/Crop Production Services	7	525	1.01	-	-	-
LPR Construction	8	500	0.96	-	-	-
Good Samaritan Society - Loveland	9	235	0.45	-	-	-
The Eye Laser Center of Northern Colorado	10	200	0.38	-	-	-
Pinnacle Agriculture Holdings LLC	10	200	0.38	-	-	-
Wal-Mart Supercenter	-	-	-	5	785	2.49
U.S. Engineering	-	-	-	8	466	1.48
Agilent Technologies	-	-	-	9	384	1.22
Hewlett-Packard	-	-	-	10	349	1.11
Top ten principal employers		10,340	19.90%		8,724	27.67%
Total City Employment		51,957			31,532	

<sup>(1)</sup> Data taken or calculated from the cities' most recent CAFRs unless otherwise indicated.



## Largest Employers by Principal Municipalities Served by the Subdistrict (2011 and 2020) (continued)<sup>(1)</sup>

Years ended September 30

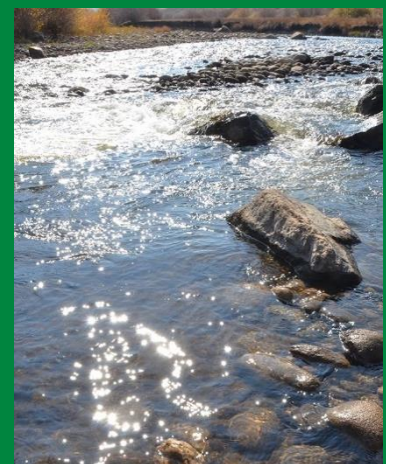
Unaudited



### Greeley, City of

Employers	2020			2011		
	Rank	Number of Employees	Percentage of Employment	Rank	Number of Employees	Percentage of Employment
JBS Swift & Company	1	4,590	9.17%	1	4,192	5.38%
Banner Health Care (formerly Northern Colorado Medical Center)	2	3,560	7.11	2	2,889	3.71
Greeley/Evans School District Six	3	2,200	4.39	3	2,189	2.81
University of Northern Colorado	4	1,900	3.79	-	-	-
Weld County	5	1,615	3.23	5	1,383	1.78
State Farm Insurance Companies	6	1,200	2.40	6	1,350	1.73
Greeley, City of	7	900	1.80	7	1,130	1.45
TTEC (formerly TeleTech Services)	8	620	1.24	-	-	-
Noble Energy	9	500	1.00	-	-	-
Leprino Foods	10	450	0.90	-	-	-
U.S. Government	-	-	-	4	1,400	1.80
Wal-Mart Supercenter	-	-	-	8	1,015	1.30
Aims Community College	-	-	-	9	874	1.12
StarTek, Inc.	-	-	-	10	702	0.90
Top ten principal employers		17,535	35.02%		17,124	21.98%
Total Employed Greeley Labor Force		50,070			77,900	

<sup>(1)</sup> Data taken or calculated from the cities' most recent CAFRs unless otherwise indicated.

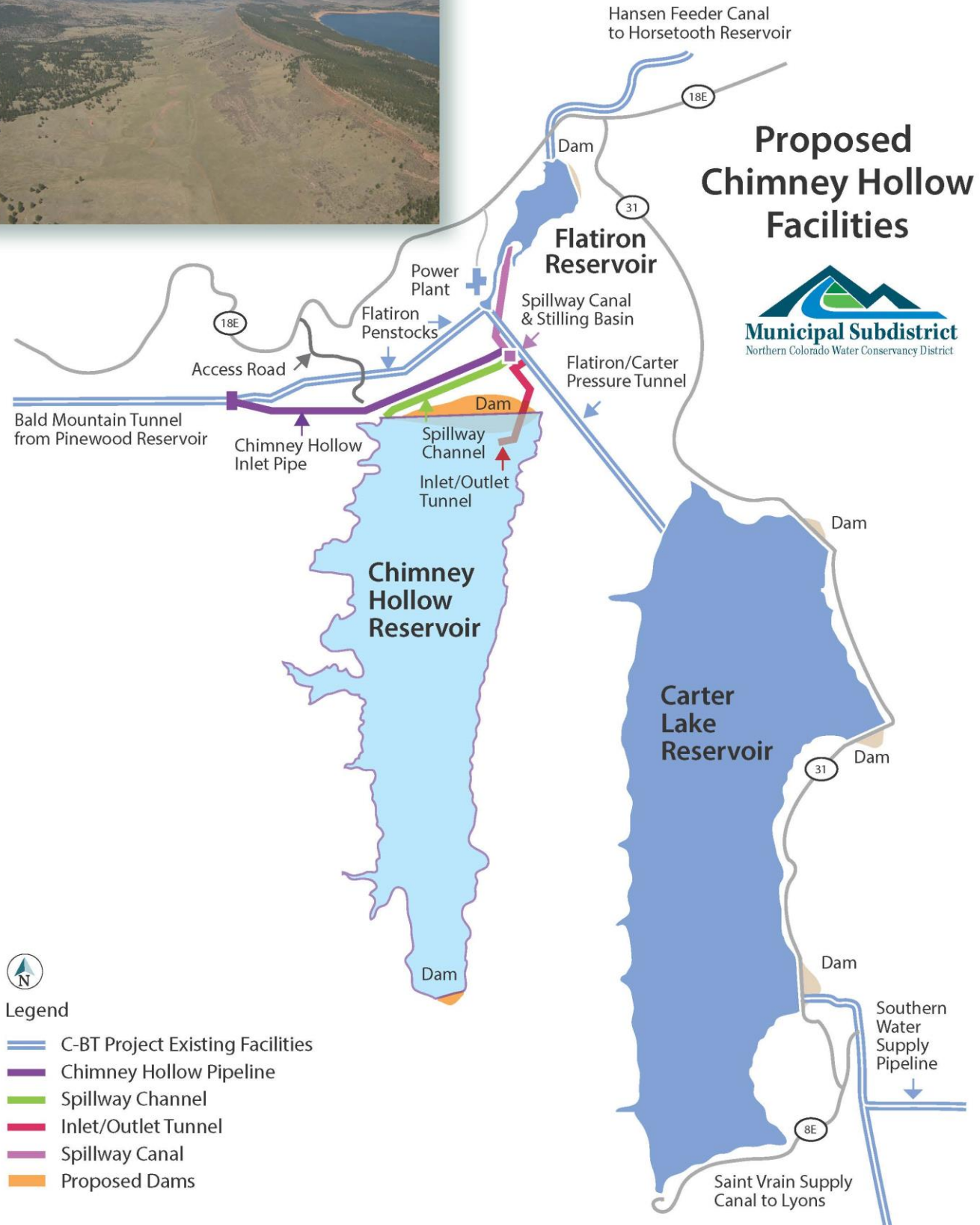


## **OPERATING INFORMATION**

These schedules contain information about the Subdistrict's operations and infrastructures to help the reader understand how the Subdistrict's financial information relates to the services it provides and the activities it performs.



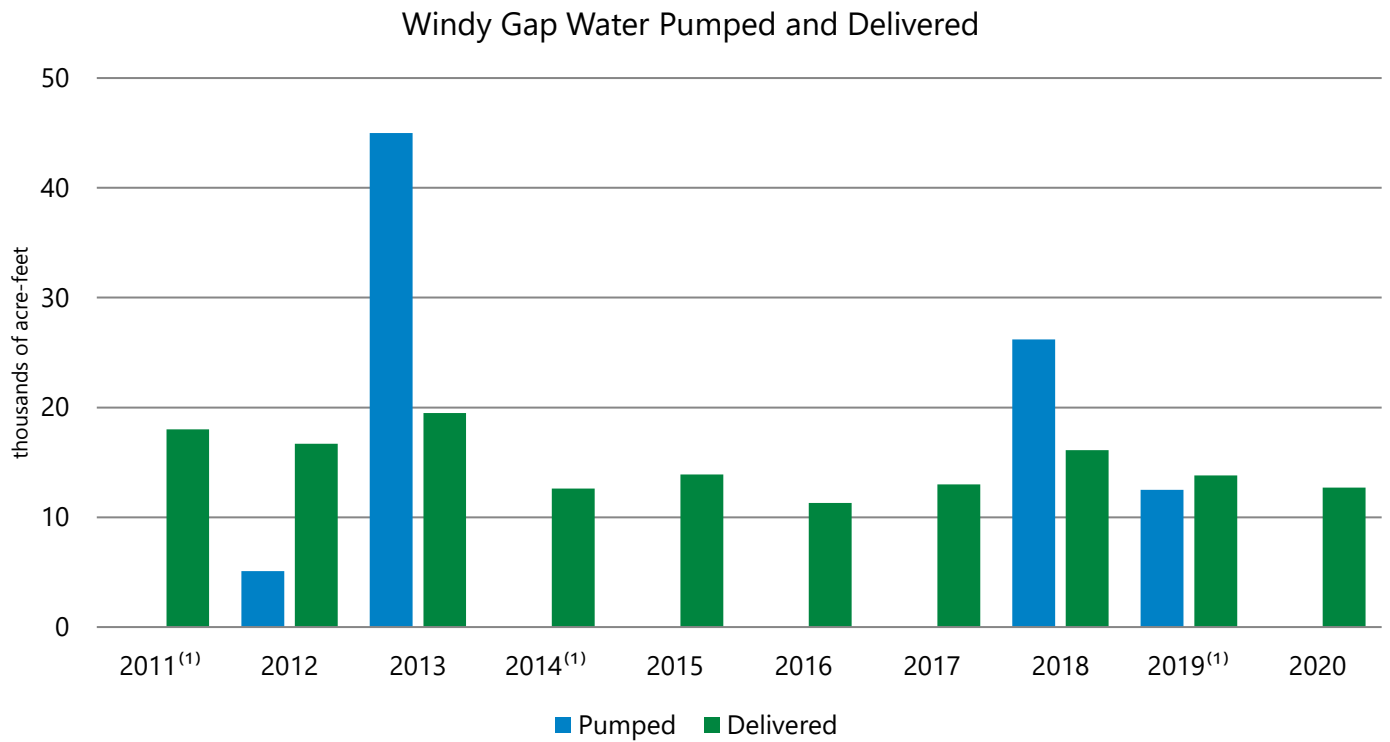
## Windy Gap FIRMING Project Map and Participants



## Windy Gap Project Water Pumped and Delivered (2011-2020)

Years ended September 30

Unaudited



<sup>(1)</sup> Years in which Windy Gap water spilled from Lake Granby.

## Windy Gap Project Water Pumped and Delivered (Historical)

Years ended September 30

Unaudited

Year	Pumped	Deliverable <sup>(1)</sup>	Delivered <sup>(2)</sup>	Losses <sup>(3)</sup>	Spilled <sup>(4)</sup>	Delivered In-lieu <sup>(5)</sup>	Rented	Inventory
1987	3,700	3,330	-864	0	0	0	0	2,466
1988	19,863	17,876	-7,317	-146	0	0	0	12,879
1989	3,998	3,598	-7,940	-963	0	0	0	7,573
1990	14,519	13,069	-4,479	-553	0	0	0	15,611
1991	19,252	18,827	-6,213	-1,306	0	0	-15,000	11,919
1992	21,857	19,671	-5,207	-920	0	0	-9,517	15,946
1993	21,740	19,566	-5,620	-972	0	0	-11,089	17,832
1994	10,784	9,706	-5,507	-1,208	0	0	-11,194	9,628
1995	14,058	12,652	-5,401	-728	-10,463	0		5,688
1996	0	0	-5,653	-351	-1,902	2,217		0
1997	0	0	-5,911	0	0	5,911		0
1998	0	0	-5,846	0	0	5,846		0
1999	0	0	-5,911	0	0	5,911		0
2000	0	0	-12,105	0	0	12,105		0
2001	14,250	12,825	-13,310	0	0	485		0
2002	0	0	-16,803	0	0	16,803		0
2003	64,200	57,780	-14,639	0	0	0		43,141
2004	327	294	-15,197	-4,209	0	0		24,030
2005	41,320	37,188	-17,240	-2,167	0	0		41,811
2006	25,022	22,520	-21,884	-3,500	0	0		38,947
2007	40,993	36,840	-24,089	-3,342	0	0		48,355
2008	33,523	30,171	-20,889	-4,458	0	0		53,178
2009	26,365	23,729	-22,713	-4,746	0	0		49,448
2010	6,758	6,082	-22,461	-4,279	0	0		28,791
2011	0	0	-18,023	-2,035	-11,529	2,795		0
2012	5,145	4,630	-16,774	0	0	13,330		1,186
2013	45,061	40,555	-19,536	-112	0	2,169		24,262
2014	0	0	-12,627	-1,883	-11,449	1,697		0
2015	0	0	-13,964	0	0	13,964		0
2016	0	0	-11,294	0	0	11,294		0
2017	0	0	-13,049	0	0	13,049		0
2018	26,236	24,924	-16,135	-406	0	947		9,331
2019	12,538	11,911	-13,843	-616	-11,789	5,005		0
2020	0	0	-12,739	0	0	12,739	0	0

<sup>(1)</sup> Effective 2018, 95 percent of water pumped was considered deliverable under the Carriage Contract. Previously, 90 percent of water pumped was considered deliverable.

<sup>(2)</sup> Includes 1,000 acre-feet leased to Northern Water to delivery to Grand Valley Water Users in 2007 and water leased to Grand County in the years 2008, 2011 and 2018.

<sup>(3)</sup> Effective 2018, 5 percent of all delivered water and an additional 5 percent of all water remaining in storage at March 31 are deducted as shrinkage losses to the system under the Carriage Contract. Previously, 10 percent of all water remaining at March 31 of any year was deducted as a shrinkage loss to the system.

<sup>(4)</sup> When Windy Gap Project water is being stored in Lake Granby and Lake Granby's storage capacity is needed for storage of water under C-BT Project water rights, Windy Gap participants are required to take delivery of their stored water or that water is required to be spilled.

<sup>(5)</sup> Delivery of C-BT Project water in-lieu of Windy Gap Project water. Repayment may include C-BT Project water, Windy Gap Project water, Windy Gap Project water pumped or cancellation of the in-lieu obligation as the result of Windy Gap Project water spillage.



**Subdistrict Capital Assets (2011-2020)***Years ended September 30**Unaudited*

	2020	2019	2018	2017	2016
<b>Windy Gap</b>					
Non-depreciable assets					
Construction in progress	\$ 2,229,111	\$ 581,057	\$ 155,883	\$ -	\$ -
Land	2,046,198	2,046,198	2,046,198	2,046,198	2,046,198
Water rights <sup>(1)</sup>	470,921	470,921	470,921	470,921	470,921
Depreciable assets					
Buildings, equipment and improvements	476,964	452,551	464,428	499,569	793,558
Water diversion project	82,167,586	82,167,586	82,167,586	82,167,586	82,167,586
Capital assets	87,390,780	85,718,313	85,305,016	85,184,274	85,478,263
Less accumulated depreciation					
Buildings, equipment and improvements	(438,871)	(434,983)	(444,570)	(477,419)	(793,558)
Water diversion project	(71,713,547)	(69,634,548)	(67,555,549)	(65,476,550)	(63,397,551)
Accumulated depreciation	(72,152,418)	(70,069,531)	(68,000,119)	(65,953,969)	(64,191,109)
Capital assets, net	\$ 15,238,362	\$ 15,648,782	\$ 17,304,897	\$ 19,230,305	\$ 21,287,154
<b>Windy Gap Farming Project</b>					
Construction in progress	\$ 65,696,977	\$ 57,908,138	\$ 47,555,955	\$ (34,541,551)	\$ 20,605,749

**Subdistrict Capital Assets (2011-2020) (continued)**

Years ended September 30

Unaudited

	2015	2014	2013	2012	2011
<b>Windy Gap</b>					
Non-depreciable assets					
Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
Land	2,046,198	2,046,198	2,046,198	2,062,566	2,061,352
Water rights <sup>(1)</sup>	470,921	470,921	470,921	-	-
Depreciable assets					
Buildings, equipment and improvements	825,707	825,707	825,707	155,574	155,574
Water diversion project	82,167,586	82,167,586	82,167,586	81,837,719	81,840,342
Capital assets	85,510,412	85,510,412	85,510,412	84,055,859	84,057,268
Less accumulated depreciation					
Buildings, equipment and improvements	(825,707)	(825,707)	(825,707)	(155,574)	(155,574)
Water diversion project	(61,318,552)	(57,160,554)	(57,160,554)	(55,770,562)	(53,731,711)
Accumulated depreciation	(62,144,259)	(57,986,261)	(57,986,261)	(55,926,136)	(53,887,285)
Capital assets, net	\$ 23,366,153	\$ 27,524,151	\$ 27,524,151	\$ 28,129,723	\$ 30,169,983
<b>Windy Gap Firing Project</b>					
Construction in progress	\$ 19,162,666	\$ 17,610,297	\$ 17,610,297	\$ 1,555,178	\$ 14,325,617

## **Windy Gap Reservoir, Dam, Pump Station Capacity and Pipeline**

*Unaudited*

### **Windy Gap Reservoir**

Capacity – 445 acre-feet

### **Windy Gap Dam**

Embankment section

- Length – 0.97 miles
- Maximum height – 25 feet
- Volume of fill – 249,000 cubic yards

Spillway

- Discharge capacity – 32,400 cubic feet per second
- Length – 345 feet
- Volume of concrete – 15,000 cubic yards

Main bypass outlet works

- Discharge capacity – 133 cubic feet per second
- Length of 48-in diameter, reinforced concrete pipe – 245 feet

Auxiliary outlet works

- Discharge capacity – 228 cubic feet per second

### **Windy Gap Pump Station**

- Maximum discharge capacity - 600 cubic feet per second
- Motor horsepower - 12,000 horsepower per pump
- Installed capacity - 35,800 KW
- Maximum total dynamic head - 521 feet
- Number of 150 cfs pumps - 4

### **Windy Gap - Lake Granby Pipeline**

Pipeline

- Capacity - 600 cubic feet per second
- Length - 6.2 miles
- Diameter - 9 feet

Surge Tank

- Type - Dual 9-foot diameter pipes
- Tank length - 735 feet
- Vertical rise - 134 feet

Discharge capacity

- Willow Creek - 440 cubic feet per second
- Windy Gap - 600 cubic feet per second

## GENERAL INFORMATION

### Subdistrict Organizational and Contact Information

*Year ended September 30, 2020*

*Unaudited*

<b>Authority</b>	Water Conservancy Act
<b>Date of Formation</b>	July 6, 1970
<b>Governing Body</b>	The Subdistrict is governed by a 12-member Board of Directors, which is appointed by the presiding district court judges of four of the five judicial districts located wholly or partially within the Northern Colorado Water Conservancy District boundaries.
<b>Organization</b>	The Subdistrict is a public body political and corporate, a quasi-municipal entity and political subdivision of the State of Colorado.
<b>Purpose</b>	The Subdistrict was organized to acquire water; to obtain rights-of-way for certain water works; to provide for construction of water facilities; to incur contractual or bond indebtedness; to administer, operate and maintain physical works; and to conserve, control, allocate and distribute water supplies.
<b>Number of Employees</b>	There are no full-time employees of the Subdistrict. All administrative, engineering, environmental services and operating functions are provided through an agreement with Northern Water.
<b>Offices</b>	Northern Water 220 Water Avenue Berthoud, Colorado 80513 800-369-7246 Fax: 877-851-0018 <a href="http://www.northernwater.org">www.northernwater.org</a>
<b>Independent Auditors</b>	Plante & Moran, PLLC 8181 E. Tufts Avenue, Suite 600 Denver, Colorado 80237 303-740-9400
<b>General Counsel</b>	Trout Raley Montaño Freeman Sinor Thompson, P.C. 1120 Lincoln Street, Suite 1600 Denver, Colorado 80203-2141 303-861-1963
<b>Bond Counsel</b>	Butler Snow, LLP 1700 Broadway, 41 <sup>st</sup> Floor New York, New York 10019 646-606-2996



**Municipal Subdistrict**