Public Notice

Mt. Crested Butte Water & Sanitation District
Regular Board Meeting Agenda

Tuesday, August 11, 2020 5:00 p.m.

Please join my meeting from your computer, tablet or smartphone.
https://www.gotomeet.me/MCBWaterSanitationDistrict

You can also dial in using your phone.
United States**: +1 (872) 240-3212**
(When prompted for audio PIN, please input your (area code) and phone #)
Access Code: 370-521-317

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https://global.gotomeeting.com/install/370521317

1. Call to Order

2. Citizens Comment Period
   - Citizens may make comments on items NOT scheduled on the agenda. Per Colorado Open Meetings Law, no Board discussion or action will take place until a later date, if necessary. You must sign in before speaking. Comments are limited to three minutes.

3. Water usage at 89 Anthracite

4. Carrier Neutral Location for fiber-optic into Mt. Crested Butte

5. COVID-19 Update- Revisit temporary late fee suspension

6. Clarifier Project Update

7. Water Treatment Plant Expansion Project Update

8. Water Committee Update

9. District Manager Report

10. 2019 Draft Audit

11. July 2020 Financial Report

12. Approve Meeting Minutes
    - July 14, 2020

13. Legals

14. New/Old Business Before the Board

15. Executive Session pursuant to C.R.S. § 24-6-402(4)(b), which allows conferences with the District's attorney for the purposes of receiving legal advice on specific legal questions. The purpose of the executive session will be to discuss with the District's attorney the process for considering the paradise lift station building and utility easements.

16. Adjourn

The Board may address individual agenda items at their discretion as necessary to accommodate the needs of the Board and audience.

Return to Agenda

From: James Brennan <cbenterprises@crestedbutte.net>
Sent: Wednesday, August 5, 2020 7:27:16 AM
To: Perry Solheim <Psolheim@mcbwsd.com>
Cc: garciakr@aol.com <garciakr@aol.com>; mgarcia@pinehillcapital.net <mgarcia@pinehillcapital.net>; cbenterprises@crestedbutte.net <cbenterprises@crestedbutte.net>
Subject: Water usage at 89 Anthracite

Good Morning and thanks in advance for taking the time to address the water usage at 89 Anthracite from 6/1-6/30 2020. I have looked after the house for Martin and Kennedy Garcia since 2010 and wanted to provide the Board with a history of the events happening in June this past year with hopes of some forgiveness for the overage. I invite you to look at their historical usage for the property, it is right in line with the parameters set forth by Mt CB Water and Sand District.

This past June was a difficult with respects to their irrigation system.

I fired up the Rainbird system on 6/2/20 and had issues with pressure as well as Zone 9 (front yard sod) The zone valve would not close after opening and the water would continue to run. I turned off Zone 9 and set the system to run as preprogrammed from the past 10 years. 1x/morning on odd days. I also contacted Luke Shaffner with LSK Irrigation to come out and replace the zone valve.

At some point in early June, there was a lightning strike near Mt CB causing 2 of the 12 irrigation systems I look after to change settings. .

37 Nicholson Lane - changed from 100% irrigation down to 40% and their yard was burning. They ended up using 1 unit in June
89 Anthracite – changed from 1x every other day to 3x/every other day AND adding time to zone 8 (back yard gardens). Using 88 units.

I received call on 6/26 from Doug with Mt CB Water and Sand stating the house had used 33, 000 gallons. I immediately went to the house and found the problem with the change in box programming. I spoke with Doug and he acknowledged that this is a common occurrence. It has happened to me before at 17 Cinnamon and 31 Goldlink. I still have the notice from MT CB posted above the sprinkler box at 17 Cinnamon as a reminder. Lightning strikes have also fried 2 garage door openers at other properties I look after.

We “thought” all was well and were waiting for repair for the 1st 10 days of June and had no idea the system was running not as programmed. This was not an effort to have an extra green yard, water in new sod, break or cheat the rules.

Please know that without the help of MT CB Water and Sand, we may have been in larger violation, so I would like to thank Doug and Brian as they had remained in contact regarding usages at the end of June and helped us keep these properties’ usages within the set watering usages for the month of July…..New meter installations, mid month meter reads and phone calls throughout. Just superb people and always ready to help.

I'm asking the Board on behalf of Martin and Kennedy Garcia, to make an exception to their June water Bill acct # 2.77201.4. The overage was an accident and caused by a lightning strike, not a willful or wanton act of negligence

Thank you for your time
James Brennan
Owner, CB Enterprises

James Brennan
CB Enterprises
PO Box 2064
Crested Butte, CO 81224
970 349 6344
970 389 1181 cell

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT

MEMORANDUM

To: Mt. Crested Butte Water & Sanitation District Board of Directors

From: Mike Fabbre, District Manager

Date: August 6, 2020

Subject: District Manager Report

(4-WW-C) Clarifier Building

The leak on the concrete pipe penetration has been sealed and passed inspection. The HVAC balancing and inspection was completed on 8/5/20 and the initial results indicate that it has passed inspection. This was one of the last items to be addressed before substantial completion is granted and only a small punch-list remains for final completion. Negotiations on asphalt repaving, liquidated damages, and the COVID-19 shutdown are scheduled for the second week of August.

(102002) Daisy Circle

The notice of award has been issued to Dietrich Dirtworks & Construction, LLC for a contact amount of $80,000. We are currently structuring the schedule and sequencing with an anticipating construction duration of 30 days.

(202000) Inflow & Infiltration (I&I)

The District has received the draft I&I report as a stipulated requirement in our wastewater discharge permit. We will be setting up a meeting with the State to discuss the results and then will submit the final report before the 9/30/20 deadline.

Temperature Probe

The District has initiated the first steps for installing a temperature probe on Woods Creek. This is another requirement resulting from the wastewater discharge permit and has a 9/30/20 deadline.

Hunter Ridge Inclusion

The capacity study has been completed by JVA Engineers and validates that the District's collection system infrastructure is adequate to support the proposed development. After the report was reviewed, District staff, JVA Engineers, and Hunter Ridge LLC conducted a work session to initiate a preliminary design for the parcel. Completing these items keeps us on track with the schedule and outline presented during the 7/14/20 Board meeting.

Cinnamon Mountain Road

The wastewater department has discovered some problematic issues on the collections system mainline pipe near 46 Cinnamon Mountain Road. A poor repair job from the distant past and clean-outs instead of manholes has resulted in a situation where we can't jet and camera the line appropriately. We will be installing two new manholes and replacing approximately 80 linear feet of piping.

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General Operations

Water Operations July 2020

MCB WTP Production for July	15.67 MG
MCB WTP Production for June	12.13 MG
Peak day of Month: 7/4/2020	1.0 MG
Average Daily Plant Run Times	12.3 hours/day
Average Daily Flow Total	0.506 MG/day
MLP WTP Production for July	1.228 MG
MLP WTP Production for June	1.0 MG
Peak Day for Month: 7/13/2019	0.055 MG
Average Daily Plant Run Times	9.0 hours/day
Average Daily Flow Total	0.039 MG/day

Significant / Unusual Activities:

- MCB disinfection byproducts sampling, all results within compliance parameters
- Asphalt paving/revegetation at Snodgrass Lane received final approval from the County
- Excavation began for the new East River pump station (photo #1)
- New yard piping for sanitary sewer was installed at the MCB WTP (Photo #2)
- Locate existing East River pipeline for new pipeline easement layout and had a pre-construction meeting the Lacy on-site
- Several new H2O service lines installed and inspected by the District
- Valve exercising, MXU installs, locates, and instrument calibration

Major Problem(s):

- Capacitor on an MLP finished water pump burnt out, EC Electric to replace
- Discovered several unmarked/abandoned pipes & conduit during excavation @ MCB WTP
- Phone lines hit twice by United Company during their Gothic Road project

Next Month's Major activities:

- Continued construction for the WTP expansion project
- Lacy to begin the new East River pipeline
- Daisy Circle water line replacement project
- Begin annual pressure reducing valve (PRV) inspection and maintenance
- Remove noxious weeds from pre-sedimentation pond fenced in area
- MLP disinfection byproducts sampling

Photo #1

Photo #2

Kyle Koelliker will be attending the meeting to answer any questions

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Wastewater Operations July 2020

Gallons Wastewater Treated July	9.1 MG
Gallons Wastewater Treated June	7.3 MG
Average Treated Wastewater Flow	0.29 MGD
Peak Treated Wastewater Flow	0.36 MGD
Peak Treated Wastewater Date	July 9
Gallons Sludge Hauled to Town of CB	51,000 gal.

Significant / Unusual Activities:

- Evan Bockstiegel started July 13th
- Training Evan Sandstrom and Evan Bockstiegel
- Disinfect every building everyday
- Daily and emergency locates
- Routine collection system jetting – 5,208 ft (23,688 ft YTD) (photo #1)
- Routine collection system inspecting – 2,351 ft (2,775 ft YTD) (photo #2)
- Started discharge monitoring report (DMR) quality assurance testing
- Flagger training and certification for all staff
- Completed and passed 3rd quarter whole effluent toxicity (WET) testing
- Assist the water department with backwashing into the collection system

Major Problem(s):

- No major problems to report

Next Month's Major Activities:

- Stay Healthy!
- Annual collection system maintenance
- Clarifier final punch list

Photo #1

Photo #2

Bryan Burks will be attending the meeting to answer any questions

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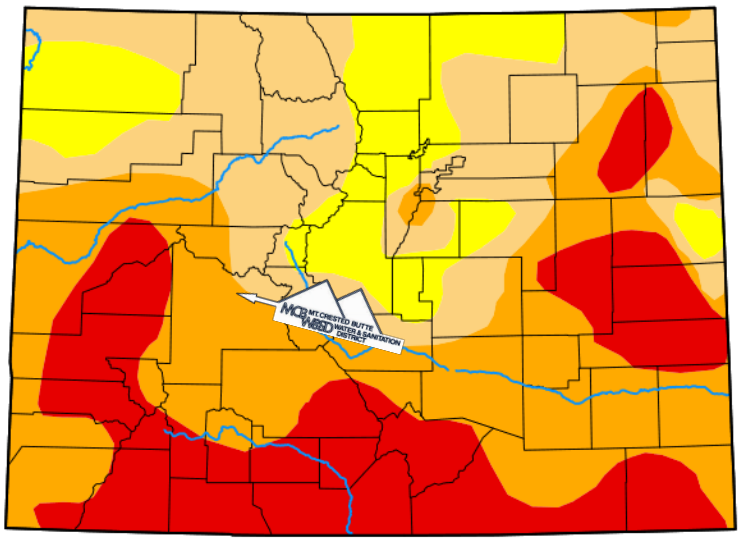
Stream Flow Information, Snow Pack, & Weather

Stream flows from the USGS water resources web interface

Values below for August 4, 2020.

Stream & Location	Current Flow (CFS)	Mean	Median
EAST RIVER BELOW CEMENT CREEK NEAR CRESTED BUTTE, CO	96.2	237	203
SLATE RIVER ABOVE BAXTER GULCH @HWY 135 NEAR CRESTED BUTTE, CO	17.1	67.0	57.0
COAL CREEK ABOVE MCCORMICK DITCH AT CRESTED BUTTE, CO	13.1	10.0	10.0
TAYLOR RIVER BELOW TAYLOR PARK RESERVOIR, CO.	247	326	297
OHIO CREEK NEAR BALDWIN, CO	23.3	62.0	55.0
GUNNISON RIVER NEAR GUNNISON, CO	415	830	740

U.S. Drought Monitor
Colorado



August 4, 2020

(Released Thursday, Aug. 6, 2020)

Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	0.00	100.00	85.88	58.79	26.64	0.00
Last Week 07-28-2020	0.65	99.35	83.72	58.79	26.64	0.00
3 Months Ago 05-05-2020	23.79	76.21	61.83	40.72	11.34	0.00
Start of Calendar Year 12-31-2019	31.72	68.28	51.19	20.11	0.00	0.00
Start of Water Year 10-01-2019	30.14	69.86	27.53	0.00	0.00	0.00
One Year Ago 08-06-2019	94.53	5.47	0.00	0.00	0.00	0.00

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx

Author:

Brian Fuchs
National Drought Mitigation Center

droughtmonitor.unl.edu

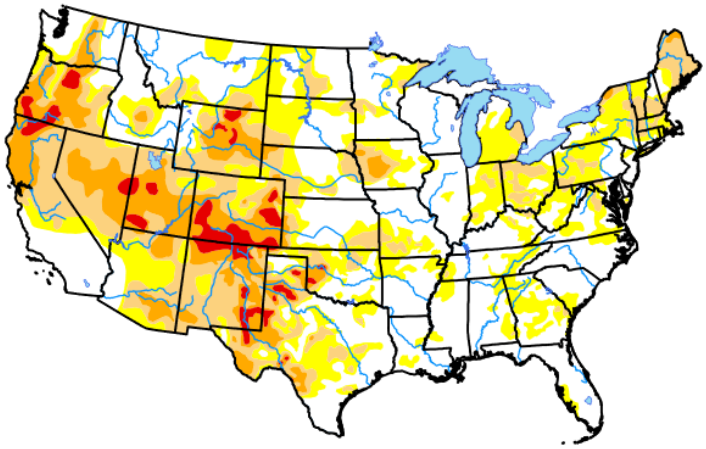
U.S. Drought Monitor

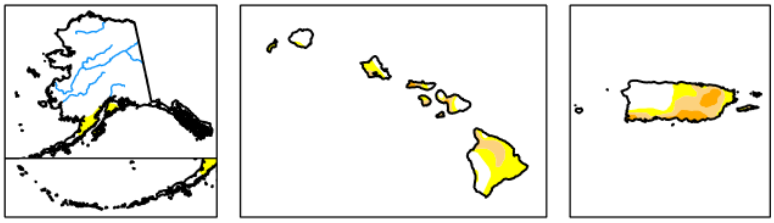
U.S. States and Puerto Rico

July 28, 2020

(Released Thursday, Jul. 30, 2020)

Valid 8 a.m. EDT





Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	52.16	47.84	27.41	11.78	2.43	0.00
Last Week 07-21-2020	52.47	47.53	26.32	10.29	2.18	0.00
3 Months Ago 04-28-2020	76.00	24.00	12.33	4.72	0.39	0.00
Start of Calendar Year 12-31-2019	78.53	21.47	9.53	3.21	0.06	0.00
Start of Water Year 10-01-2019	65.15	34.85	16.96	5.30	0.80	0.00
One Year Ago 07-30-2019	77.16	22.84	6.93	1.31	0.14	0.00

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx

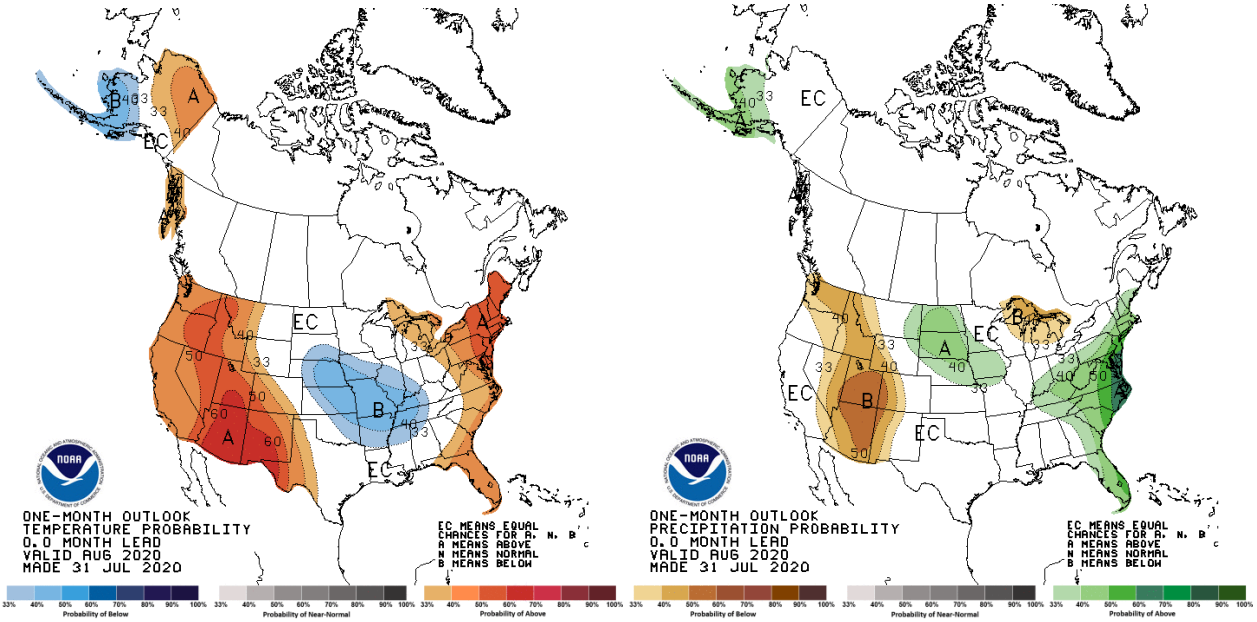
Author:

Richard Heim
NCEI/NOAA

droughtmonitor.unl.edu

Weather

The National Oceanic and Atmospheric Administration (NOAA) one-month outlook for MCBWSD indicates above average temperatures and below average precipitation with temperatures ranging from 30 to 75 degrees Fahrenheit.



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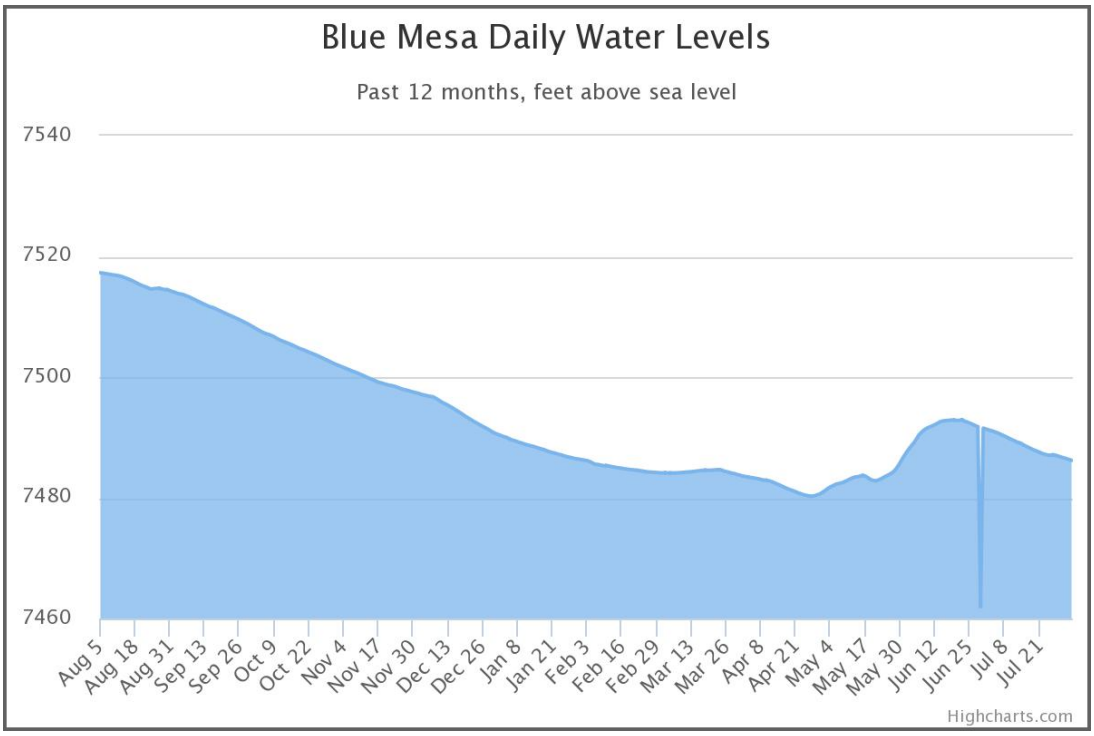
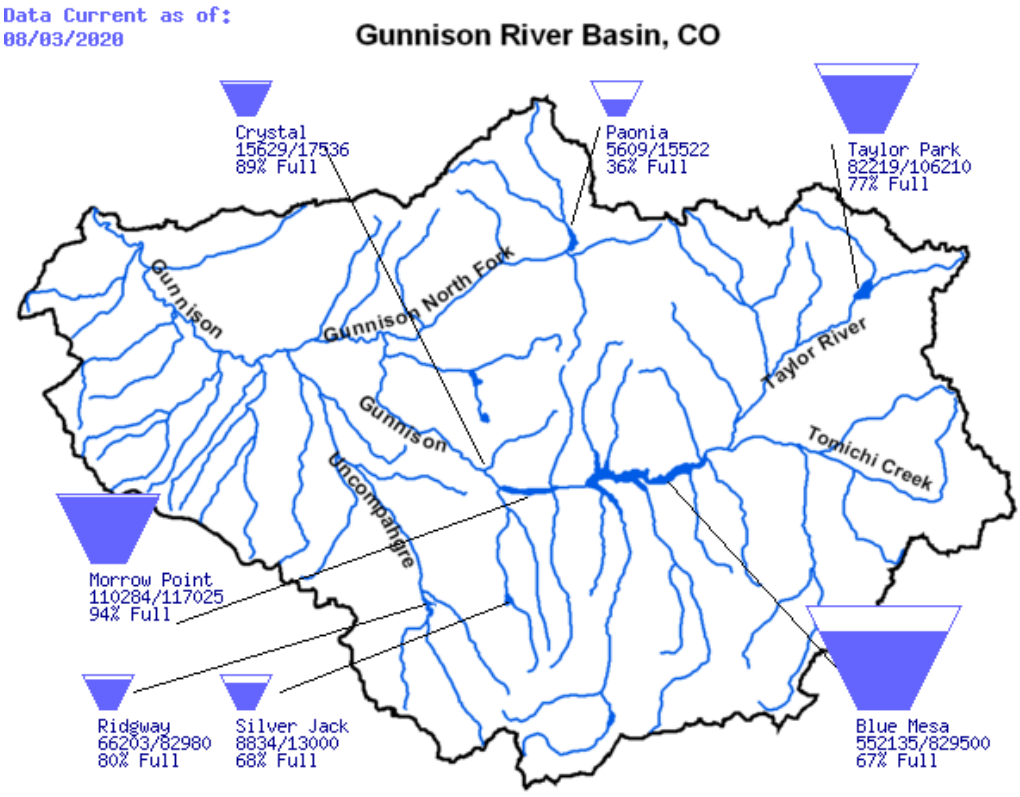
8/4/2020
Meridian Lake Park Reservoir No. 1 is currently at 99% of capacity.
Meridian Lake Reservoir (Long Lake) is currently at 96% of capacity.
Blue Mesa Reservoir is currently at 66% of capacity. **Blue Mesa Reservoir is down 31.77 feet from one year ago, and 33.8 feet below full pool.**
Taylor Park Reservoir is currently at 77% of capacity.
Lake Powell is currently at 51% of capacity. Lake Mead is currently at 40% of capacity.





Colorado SNOTEL Snow/Precipitation Update Report

Based on Mountain Data from NRCS SNOTEL Sites

Provisional data, subject to revision

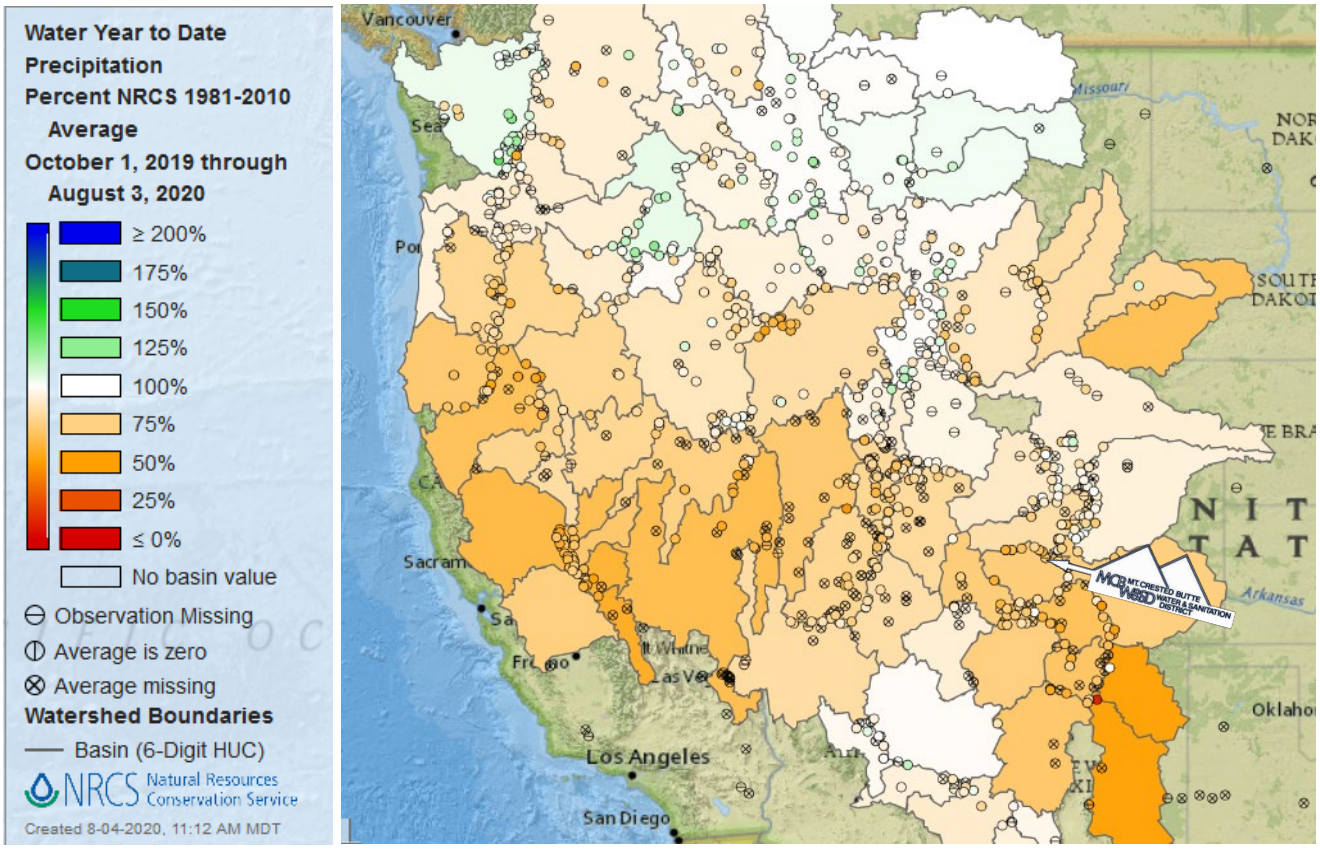
Data based on the first reading of the day (typically 00:00) for Monday, August 4, 2020

Basin Site Name	Elevation (ft)	Snow Depth (in)	Snow Water Equivalent			Water Year-to-Date Precipitation		
			Current (in)	Median (in)	% of Median	Current (in)	Average (in)	% of Average
GUNNISON RIVER BASIN								
Butte	10,160	0	-M	0.0	*	-M	23.0	*
Schofield Pass	10,700	0	0.0	0.0	*	28.0	43.6	64
Park Cone	9,600	0	0.0	0.0	*	14.2	18.2	78
Upper Taylor	10,640	0	0.0	N/A	*	22.1	N/A	*
Porphyry Creek	10,760	0	0.0	0.0	*	21.9	23.7	92
Basin Index (%)					*			**74**

* = Analysis may not provide valid measure of condition

-M = Missing Data

GUNNISON RIVER BASIN consists of 16 SNOTEL sites. Top 5 representative MCBWSD sites listed above.



CONSULTING ENGINEERS

www.jvajva.com

☐ **Boulder**
1319 Spruce Street
Boulder, CO 80302
303.444.1951

☐ **Fort Collins**
25 Old Town Square
Suite 200
Fort Collins, CO 80524
970.225.9099

☐ **Winter Park**
PO Box 1860
47 Cooper Creek Way
Suite 328
Winter Park, CO 80482
970.722.7677

☒ **Glenwood Springs**
817 Colorado Ave
Suite 301
Glenwood Springs, CO
81601
970.404.3100

☐ **Denver**
1512 Larimer Street
Suite 710
Denver, CO 80202
303.444.1951

M E M O

TO:	Mike Fabbre	DATE:	August 6, 2020
FIRM:	Mt. Crested Butte Water and Sanitation District	JOB NO.	1028e
ADDRESS:	100 Gothic Road	PROJECT:	MCBWSD Water Treatment Plant Expansion Project
	Mt. Crested Butte, CO 81225	SUBJECT:	August 2020 Monthly Project Update

The purpose of this memo is to update you and the District Board on the Water Treatment Plant (WTP) Expansion Project and activities completed in the month of July 2020. The summary below is purposely brief and can be expanded upon if you or any of the Board members have specific questions or concerns.

JVA received additional review comments from Colorado Code Consultants (CCC), the Town of Mt. Crested Butte's third-party design reviewer. We conducted a meeting with the Crested Butte Fire Protection District, CCC and the District and believe we have reached a final resolution to the reviewer's concerns and requests.

Moltz Construction worked during July to install the filter backwash piping, manhole and piping to connect to the existing sewer system in Prospect Drive. District staff have experimented with several different ways of backwashing directly to sewer. JVA, Moltz and the District are working collectively to find a solid solution for backwash during construction of the new WTP. Moltz is also drying out the backwash pond and preparing for excavation of the clear well for the new WTP.

The dewatering system at the East River pump station is installed and working well. The contractor is installing a soil nail wall so that forming of the raw water well can begin. Lacy Construction has begun staging pipe for the raw waterline and installation should begin soon.

Weekly construction meetings are occurring with participation from the Contractor, District and JVA. JVA continues to review and process equipment submittals and shop drawings and respond to Requests for Information from the contractor.

Moltz received approval of their Conditional Use Application to the Town of Mt. Crested Butte for a large tent for equipment storage over the winter months.

The project remains on schedule and within budget. We appreciate the opportunity to work with the District on this important project. Please let me know if you or anyone from the District Board has any questions or concerns, we can assist with.

Sincerely,

Signed: Cooper Best

Cooper Best, Regional Manager

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
CRESTED BUTTE, COLORADO

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT

For the Year Ended
December 31, 2019

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Mt. Crested Butte Water & Sanitation District

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MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
2019 Management's Discussion and Analysis

The Management Discussion and Analysis (MD&A) is designed to provide an easy-to-read discussion of the District's financial condition and operating results and to disclose to the reader important financial activities and issues related to the District's basic operations and mission.

The District has two financial category referred to as a governmental and business type activities. These activities are primarily funded through charges to users. The District also collects property taxes and specific ownership taxes, accounted for under governmental activities to support its operations and debt obligations.

DESCRIPTION OF FINANCIAL STATEMENTS

This annual report consists of three parts - *management's discussion and analysis* (this section), the *basic financial statements (including the accompanying footnotes)*, and *supplementary information*. The *supplementary information* is not a required part of the basic financial statements under generally accepted accounting principles.

The basic financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data.

Basic Financial Statements

The basic financial statements consist of the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position, a Statement of Cash Flows, and Notes to the Financial Statements. These statements report information about the District as a whole and include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These statements report the District's *net position* and changes in them. The District's net position - the difference between assets and liabilities - is one way to measure the District's financial health, or *financial position*. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating.

HIGHLIGHTS

- In 2019, total assets were $24,522,752, an increase from 2018 $23,430,239, of $1,092,513.
- In 2019, total liabilities were $1,584,119, a decrease from 2018 $1,371,709, of $212,410.
- In 2019, the change in net position was $1,259,252 compared to $350,630 in 2018. (discussed below)

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STATEMENTS OF NET POSITION

The perspective of the statement of net position is of the District as a whole. Following is a summary of the District's net position for 2019 compared to 2018:

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
ASSETS						
Current and Other Assets	$ 1,221,935	$ 1,282,960	$ 4,688,910	$ 6,229,198	$ 5,910,845	$ 7,512,158
Capital Assets	-	-	18,611,907	15,918,081	18,611,907	15,918,081
Total Assets	1,221,935	1,282,960	23,300,817	22,147,279	24,522,752	23,430,239
LIABILITIES						
Current Liabilities	89,549	221,632	753,586	81,587	843,135	303,219
Noncurrent Liabilities	714,464	1,019,372	26,520	49,118	740,984	1,068,490
Total Liabilities	804,013	1,241,004	780,106	130,705	1,584,119	1,371,709
DEFERRED INFOWS	1,153,684	1,090,737	-	-	1,153,684	1,090,737
NET POSITION						
Net Investment in Capital Assets	(722,453)	(1,048,781)	18,611,907	15,918,081	17,889,454	14,869,300
Restricted	34,000	37,000	130,492	-	164,492	37,000
Unrestricted	(47,309)	(77,931)	3,778,312	6,098,493	3,731,003	6,020,562
Total Net Position	**$ (735,762)**	**$ (1,089,712)**	**$ 22,520,711**	**$ 22,016,574**	**$ 21,784,949**	**$ 20,926,862**

STATEMENTS OF ACTIVITIES

The following table reflects the change in net position for fiscal years 2019 and 2018.

CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities		Business Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
PROGRAM REVENUES						
Operating Revenues	$ -	$ -	$ 3,237,772	$ 2,452,292	$ 3,237,772	$ 2,452,292
Operatng Expenses	907,986	1,080,604	2,730,951	2,566,131	3,638,937	3,646,735
Operating Income	(907,986)	(1,080,604)	506,821	(113,839)	(401,165)	(1,194,443)
Other Income (Expense)	1,261,936	1,391,079	(2,684)	(190,894)	1,259,252	1,200,185
Contributed Capital	-	-	-	344,888	-	344,888
Change in Net Position	353,950	310,475	504,137	40,155	858,087	350,630
Net Position - Beginning	(1,089,712)	-	22,016,574	20,576,232	20,926,862	20,576,232
Prior Period Restatement	-	(1,400,187)	-	1,400,187	-	-
Net Position - Beginning (as Restated)	(1,089,712)	(1,400,187)	22,016,574	21,976,419	20,926,862	20,576,232
Net Position - Ending	**$ (735,762)**	**$ (1,089,712)**	**$ 22,520,711**	**$ 22,016,574**	**$ 21,784,949**	**$ 20,926,862**

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CAPITAL ASSETS

The District's changes in capital assets for the year ending December 31, 2019 is as follows:

	Balance 1/1/19	Additions	Deletions	Balance 12/31/19
Business - Type Activities:				
Assets not being depreciated				
Land	$ 32,248	$ -	$ -	$ 32,248
Water Rights	212,405	-	-	212,405
Construction in Progress	2,171,554	3,054,591	543,361	4,682,784
Total assets not being depreciated	2,416,207	3,054,591	543,361	4,927,437
Assets being depreciated				
Buildings and Improvements	1,463,848	-	-	1,463,848
Treatment plants	22,418,564	58,167	-	22,476,731
Collection and distribution systems	5,348,055	628,742	-	5,976,797
Equipment	871,144	300,044	-	1,171,188
Total assets being depreciated	30,101,611	986,953	-	31,088,564
Less: Accumulated depreciation				
Buildings and Improvements	(225,098)	(30,036)	-	(255,134)
Treatment plants	(12,347,440)	(539,333)	-	(12,886,773)
Collection and distribution systems	(3,483,928)	(157,251)	-	(3,641,179)
Equipment	(543,271)	(77,737)	-	(621,008)
Total accumulated depreciation	(16,599,737)	(804,357)	-	(17,404,094)
Net Capital Assets	**$ 15,918,081**	**$ 3,237,187**	**$ 543,361**	**$ 18,611,907**

DEBT OUTSTANDING

The District has debt with the Colorado Water Resources and Power Development Authority in the amount of $714,464. Future debt increases are discussed below.

A summary of debt activity for the year is as follows:

	Balance 1/1/19	Advances	Repayments	Balance 12/31/19	Current Portion	Interest Expense	Accrued Interest
Governmental Activities:							
2001 CWRPDA Note Payable	$ 1,019,372	$ -	$ 318,217	$ 701,155	$ 339,791	$ 49,771	$ 21,298
Compensated Absences	40,931	-	27,622	13,309	-	-	-
Business-type Activities:							
Compensated Absences	49,118	-	22,598	26,520	-	-	-
Total Obligations	**$ 1,109,421**	**$ -**	**$ 368,437**	**$ 740,984**	**$ 339,791**	**$ 49,771**	**$ 21,298**

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ECONOMIC AND OTHER FACTORS

The financial results of 2019 met with the expectations of the District. The increase in net position was anticipated as the district commenced an internally funded project to add an additional clarifier to wastewater operations. The new clarifier replaces the existing clarifier which has reached the end of its useful life but will be rehabilitated to allow the district a level of redundancy and more efficient springtime operations. The anticipated total project cost will be approximately $2.6MM. This project is being funded via the use of unrestricted reserves of the District. Other capital costs and repairs and maintenance were not significantly different from expectations.

The 2020 budget reflects the growing needs of the District with the revenue base available. The District is planning a $23MM expansion to its existing water treatment plant. The project will replace some assets that are reaching the end of their useful lives while simultaneously expanding the plant capacity to meet the anticipated needs of the full build out of the Town of Mt. Crested Butte. The expansion will be financed by a loan from the Colorado Water Resources and Power Development Authority. Increases in revenue rates (for user fees, availability of service fees, and plant investment fees) reflect proactive action by the Board of Directors to address the future debt payments for this project. Principal and interest payments for indebtedness will differ from the schedules previously established and will include additional debt service payments of $112,832 in 2020, $367,092 in 2021 and $1,370,859 in each year thereafter through 2040. The District does not anticipate significant negative financial effects from the COVID19 pandemic.

The District will continue to provide a high level of service to our customers at the water and wastewater facilities.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the general public with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact:

Michael Fabbre, District Manager
Mt. Crested Butte Water & Sanitation
District 100 Gothic Road
P.O. ox 5740
Mt. Crested Butte, Colorado 81225
Tel: (970) 349-7575
Fax: (970) 349-0412
www.mcbwsd.com

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FINANCIAL SECTION

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Mayberry & Company, LLC
Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of Directors
Mt. Crested Butte Water & Sanitation District
Crested Butte, Colorado

Independent Auditors' Report

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mt. Crested Butte Water & Sanitation District as of and for the year ended December 31, 2019, and the related notes to the financial statements which collectively comprise the basic financial statements of the District, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 of 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 controls. 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.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mt. Crested Butte Water & Sanitation District, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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8310 South Valley Highway – Suite 300
Englewood, Colorado 80112

Voice (303) 993 – 2199
Fax (720) 633 – 9763

Report on Summarized Comparative Information

We have previously audited the Mt. Crested Butte Water & Sanitation District's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 3, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information – Management's Discussion and Analysis

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1-M4 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Required Supplementary Information – Budgetary Comparison Schedule and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 25 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. In addition, the budgetary comparison schedules on pages 26-27 and listed as other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Maybeary + Company, LLC

Englewood, Colorado
July 31, 2020

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Basic Financial Statements

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MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

STATEMENT OF NET POSITION
DECEMBER 31, 2019

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Investments	$ 60,333	$ 4,202,161	$ 4,262,494
Restricted Cash and Investments	-	130,492	130,492
Receivables			
Property Tax Receivable	1,153,684	-	1,153,684
Utility Receivable	-	285,072	285,072
Cash with Fiscal Agent	7,918	-	7,918
Prepaid Expenses	-	71,185	71,185
Total Current Assets	1,221,935	4,688,910	5,910,845
Noncurrent Assets			
Capital Assets not being Depreciated	-	4,927,437	4,927,437
Capital Assets being Depreciated	-	31,088,564	31,088,564
Accumulated Depreciation	-	(17,404,094)	(17,404,094)
Total Noncurrent Assets	-	18,611,907	18,611,907
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 1,221,935	$ 23,300,817	$ 24,522,752
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 13,283	$ 634,903	$ 648,186
Accrued Liabilities	44,809	-	44,809
Accrued Salaries and Benefits	10,159	16,562	26,721
Retainage Payable	-	102,121	102,121
Accrued Interest Payable	21,298	-	21,298
Total Current Liabilities	89,549	753,586	843,135
Noncurrent Liabilities			
Due within one year	339,791	-	339,791
Due in more than one year	374,673	26,520	401,193
Total Noncurrent Liabilities	714,464	26,520	740,984
TOTAL LIABILITIES	804,013	780,106	1,584,119
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	1,153,684	-	1,153,684
NET POSITION			
Net Investment in Capital Assets	(722,453)	18,611,907	17,889,454
Restricted Net Position	34,000	130,492	164,492
Unrestricted Net Position	(47,309)	3,778,312	3,731,003
TOTAL NET POSITION	(735,762)	22,520,711	21,784,949
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 1,221,935	$ 23,300,817	$ 24,522,752

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

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

		PROGRAM REVENUES	
	EXPENSES	CHARGES FOR SERVICES	CAPITAL GRANTS
FUNCTIONS/PROGRAMS			
Government Activities			
Current:			
General Government	$ 858,216	$ -	$ -
Interest on Debt	49,770	-	-
TOTAL GOVERNMENT ACTIVITIES	907,986	-	-
Business-type Activities			
Current:			
Water	1,240,145	1,476,848	183,592
Wastewater	1,490,806	1,258,879	318,453
TOTAL BUSINESS-TYPE ACTIVITIES	2,730,951	2,735,727	502,045
TOTAL GOVERNMENT	$ 3,638,937	$ 2,735,727	$ 502,045
GENERAL REVENUES			
Property Taxes			
Specific Ownership Taxes			
Other Taxes			
Interest Income			
Insurance Proceeds			
TRANSFERS			
TOTAL GENERAL REVENUES AND TRANSFERS			
CHANGE IN NET POSITION			
NET POSITION - Beginning			
NET POSITION - Ending			

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
GOVERNMENT ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
$ (858,216)	$ -	$ (858,216)
(49,770)	-	(49,770)
(907,986)	-	(907,986)
-	420,295	420,295
-	86,526	86,526
-	506,821	506,821
(907,986)	506,821	(401,165)
1,087,280	-	1,087,280
90,061	-	90,061
2,477	-	2,477
-	75,380	75,380
-	4,054	4,054
82,118	(82,118)	-
1,261,936	(2,684)	1,259,252
353,950	504,137	858,087
(1,089,712)	22,016,574	20,926,862
$ (735,762)	$ 22,520,711	$ 21,784,949

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MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019
With Comparative Totals for December 31, 2018

	General Fund	Total 2019	Total 2018
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Investments	$ 60,333	$ 60,333	$ 113,091
Receivables			
Property Tax Receivable	1,153,684	1,153,684	1,090,737
Cash with Fiscal Agent	7,918	7,918	6,360
Prepaid Expenses	-	-	72,772
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 1,221,935	$ 1,221,935	$ 1,282,960
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Accounts Payable	$ 13,283	$ 13,283	$ 171,849
Accrued Liabilities	44,809	44,809	1,583
Accrued Salaries and Benefits	10,159	10,159	18,791
Total Current Liabilities	68,251	68,251	192,223
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	1,153,684	1,153,684	1,090,737
FUND BALANCE			
Nonspendable Fund Balance	-	-	72,772
Restricted Fund Balance	34,000	34,000	37,000
Unassigned Fund Balance	(34,000)	(34,000)	(109,772)
TOTAL FUND BALANCE	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 1,221,935	$ 1,221,935	$ 1,282,960

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

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION
DECEMBER 31, 2019

Fund Balance - Governmental Funds		$ -
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Notes payable	$ (701,155)	
Accrued interest payable	(21,298)	
Accrued compensated absences	(13,309)	(735,762)
Total Net Position - Governmental Activities		$ (735,762)

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

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MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
With Comparative Totals for the Year Ended December 31, 2018

	General Fund	TOTAL 2019	TOTAL 2018
REVENUES			
Taxes	$ 1,179,818	$ 1,179,818	$ 1,133,365
EXPENDITURES			
Current:			
General Government	885,838	885,838	1,016,303
Debt Service	376,098	376,098	374,776
TOTAL EXPENDITURES	1,261,936	1,261,936	1,391,079
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(82,118)	(82,118)	(257,714)
OTHER FINANCING SOURCES (USES)			
Transfers In	82,118	82,118	257,714
NET CHANGE IN FUND BALANCE - GAAP BASIS	-	-	-
FUND BALANCE, BEGINNING	-	-	-
FUND BALANCE, ENDING	$ -	$ -	$ -

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

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MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019

Change in Fund Balance - Governmental Funds		$ -
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level		
Principal payments on bonds payable	$ 318,217	
Change in accrued interest payable	8,111	
Change in accrued compensated absences	27,622	353,950
Change in Net Position - Governmental Activities		$ 353,950

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

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MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019

	Business-type Activities			
	Water Fund	Wastewater Fund	Total 2019	Total 2018
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash and Investments	$ 3,187,905	$ 1,014,256	$ 4,202,161	$ 5,701,410
Restricted Cash and Investments	-	130,492	130,492	251,250
Receivables				
Utility Receivable	148,082	136,990	285,072	276,538
Prepaid Expenses	2,500	68,685	71,185	-
Total Current Assets	3,338,487	1,350,423	4,688,910	6,229,198
Noncurrent Assets				
Capital Assets not being depreciated	2,611,248	2,316,189	4,927,437	2,416,207
Capital Assets being depreciated	11,757,997	19,330,567	31,088,564	30,101,611
Accumulated Depreciation	(6,893,707)	(10,510,387)	(17,404,094)	(16,599,737)
Total Noncurrent Assets	7,475,538	11,136,369	18,611,907	15,918,081
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 10,814,025	$ 12,486,792	$ 23,300,817	$ 22,147,279
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	$ 134,832	$ 500,071	$ 634,903	$ 41,558
Accrued Salaries and Benefits	8,495	8,067	16,562	40,029
Retainage Payable	-	102,121	102,121	-
Total Current Liabilities	143,327	610,259	753,586	81,587
Noncurrent Liabilities				
Due in more than one year	17,706	8,814	26,520	49,118
TOTAL LIABILITIES	161,033	619,073	780,106	130,705
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
NET POSITION				
Net Investment in Capital Assets	7,475,538	11,136,369	18,611,907	15,918,081
Restricted Net Position	-	130,492	130,492	251,250
Unrestricted Net Position	3,177,454	600,858	3,778,312	5,847,243
TOTAL NET POSITION	10,652,992	11,867,719	22,520,711	22,016,574
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 10,814,025	$ 12,486,792	$ 23,300,817	$ 22,147,279

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

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
With Comparative Totals for the Year Ended December 31, 2018

	Business-type Activities			
	Water Fund	Wastewater Fund	Total 2019	Total 2018
Operating Revenues				
Utility Charges	$ 1,476,848	$ 1,258,879	$ 2,735,727	$ 2,452,292
Operating Expenses				
Personnel Services	371,333	398,765	770,098	786,173
Administrative/Office Expenses	-	-	-	542
Operating Supplies	171,615	248,674	420,289	324,539
Professional Fees	55,562	83,664	139,226	-
Repairs and Maintenance	186,462	149,549	336,011	406,076
Engineering	27,268	6,645	33,913	-
Telephone and Utilities	104,574	122,408	226,982	246,978
Other Operating Expenses	75	-	75	75
Depreciation Expense	323,256	481,101	804,357	785,095
Other Capital Outlay	-	-	-	16,653
Total Expenditures	1,240,145	1,490,806	2,730,951	2,566,131
Operating Income (Loss)	236,703	(231,927)	4,776	(113,839)
Other Income (Expense)				
Investment Earnings	37,690	37,690	75,380	57,493
Other Revenue	3,097	957	4,054	9,327
Total Other Income (Expense)	40,787	38,647	79,434	66,820
Net Income (Loss) before Transfers	277,490	(193,280)	84,210	(47,019)
Transfers				
Transfers In/(Out)	63,946	(146,064)	(82,118)	(257,714)
Net Income (Loss)	341,436	(339,344)	2,092	(304,733)
Contributed Capital				
Plant Investment Fees	183,592	318,453	502,045	344,888
Change in Net Position	525,028	(20,891)	504,137	40,155
Net Position, Beginning	10,127,964	11,888,610	22,016,574	21,976,419
Net Position, Ending	$ 10,652,992	$ 11,867,719	$ 22,520,711	$ 22,016,574

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

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
With Comparative Totals for the Year Ended December 31, 2018

	Business-type Activities			
	Water Fund	Wastewater Fund	Total 2019	Total 2018
Cash Flows From Operating Activities:				
Cash Received from Customers	$ 1,467,721	$ 1,259,472	$ 2,727,193	$ 2,420,025
Cash Paid to Suppliers	(421,377)	(212,960)	(634,337)	(1,061,227)
Cash Paid to and for the Benefit of Employees	(390,362)	(425,800)	(816,162)	(791,229)
Net Cash Provided by Operating Activities	655,982	620,712	1,276,694	567,569
Cash Flows From Capital and Related Financing Activities:				
Tap Fees Received	183,592	318,453	502,045	344,888
Acquisition of Capital Assets	(1,015,122)	(2,380,940)	(3,396,062)	(1,384,352)
Cash Flows Used by Capital and Related Financing Activities	(831,530)	(2,062,487)	(2,894,017)	(1,039,464)
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	63,946	(146,064)	(82,118)	(251,228)
Other Revenues (Expense)	3,097	957	4,054	9,327
Net Cash Provided (Used) by Noncapital Financing Activities	67,043	(145,107)	(78,064)	(241,901)
Cash Flows (Uses) From Investing Activities:				
Interest Received	37,690	37,690	75,380	57,493
Net Increase (Decrease) in Cash	(70,815)	(1,549,192)	(1,620,007)	(656,303)
Cash - Beginning	3,258,720	2,693,940	5,952,660	6,608,963
Cash - Ending	$ 3,187,905	$ 1,144,748	$ 4,332,653	$ 5,952,660
Cash and Investments	$ 3,187,905	$ 1,014,256	$ 4,202,161	$ 5,701,410
Restricted Cash and Investments	-	130,492	130,492	251,250
Total	$ 3,187,905	$ 1,144,748	$ 4,332,653	$ 5,952,660
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	$ 236,703	$ (231,927)	$ 4,776	$ (113,839)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	323,256	481,101	804,357	785,095
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Utility Receivable	(9,127)	593	(8,534)	(32,267)
Prepaid Expenses	(2,500)	(68,685)	(71,185)	2,554
(Increase) Decrease in:				
Accounts Payable	126,679	466,665	593,344	(67,146)
Accrued Liabilities	-	-	-	(1,772)
Accrued Salaries and Benefits	(9,244)	(14,223)	(23,467)	(8,682)
Accrued Compensated Absences	(9,785)	(12,812)	(22,597)	3,626
Total Adjustments	419,279	852,639	1,271,918	681,408
Net Cash Used for Operating Activities	$ 655,982	$ 620,712	$ 1,276,694	$ 567,569

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

MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Mt. Crested Butte Water & Sanitation District have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Reporting Entity

Mt. Crested Butte Water & Sanitation District is a political subdivision of the State of Colorado governed by a board of directors. As required by generally accepted accounting principles, these financial statements present the Mt. Crested Butte Water & Sanitation District (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the District's financial statements to be misleading or incomplete. Based upon the foregoing criteria, there are no component units included in the accompanying financial statements.

Nature of Operations

The District provides water and sanitation services to the residents of the District.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information of the District as a whole. The reporting information includes all of the non-fiduciary activities of the District. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues. Internal activity has been eliminated within the function for the statement of activities presentation.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes and specific ownership taxes are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

In the fund financial statements, the District reports the following major governmental fund:

General Fund
The General Fund uses the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal sources of revenues are property and specific ownership taxes. Principal expenditures are for District administration and general obligation debt service.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues include the District are charges to customers for sales and service. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Enterprise funds are used to account for operations financed and operated similar to businesses using the accrual method of accounting. Enterprise fund revenues are recognized in the period in which they are earned. Expenses are recognized in the period in which they are incurred.

The District reports the following major proprietary funds:

Water and Wastewater Funds
These funds account for the activities related to the offering of the respective services to the District's residents.

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Budgets

The District adopts an annual budget for all funds which are all prepared on the modified accrual basis of accounting. The District may authorize supplemental appropriations during the budget year. All budgetary appropriations lapse at year-end.

Colorado statutes provide the following timetable which is followed in the adoption of budgets:

(1) Submission of the proposed budget to the local governing body by October 15 of each year.
(2) Certification of mill levies to the Board of County Commissioners by December 15.
(3) Final adoption of budget and appropriations by December 31 of each year.
(4) Property taxes are due by April 30 of each year if paid in full, or in two installments due February 28 and June 15 of each year.

Encumbrances

The District does not utilize encumbrance accounting.

Cash and Equivalents

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments are stated at fair value based on quoted market values, with the exception of money market funds and external investment pools. These are stated at cost, which is equal to fair value.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received.

Governmental funds report deferred inflows of resources, as further described below in connection with receivables for revenues that are deferred for use during the next fiscal year. At the end of the current year, these receivables consisted of property taxes levied in 2019 and due in 2020.

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include land, buildings, vehicles and equipment, are reported in the governmental activities column of the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $25,000 and a useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at estimated market value at the date of donation or annexation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Plant and lines	15-33 years
Building and improvements	10-50 years
Equipment	5-15 years

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows and inflows of resources. These separate financial statement elements, deferred outflows of financial resources and deferred inflows of financial resources, represent a usage or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until a future period. Deferred property taxes are reported as a deferred inflow for both the governmental activities presentation and governmental funds balance sheet.

The unavailable property taxes are deferred and will be recognized as an outflow or inflow of resources in the period that the amounts become recognizable as an expense or available, respectively. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow is recognized as revenue and the receivable is reduced.

Long-Term Obligation

Long-term debt is reported at face value, net of applicable discounts and deferred charge on refunding. Costs related to the issuance of debt are expensed when incurred. Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statements of net position or as part of the proprietary fund presentation.

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Net Position/Fund Balance - In the government-wide financial statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Amounts are reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education, reported and at their highest level of action are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

All remaining governmental balances or deficits in the other governmental funds are presented as unassigned.

Net Position/Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the District on a monthly basis.

Accumulated Unused Leave/Compensated Absences

The District permits an employee to carry over unused sick leave to the next calendar year. The District will compensate an employee for any unused vacation and compensatory time at their current rate of pay upon termination or resignation. The District does not payout unused sick leave upon termination.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

NOTE 2: CASH AND INVESTMENTS

The District's cash and investment balances as of the year ended December 31, 2019 are as follows:

Cash	$	3,056,568
Investments		1,336,418
Total Cash and Investments	**$**	**4,392,986**

These balances are allocated in the financial statements as follows:

Restricted Cash and Investments	$	130,492
Unrestricted Cash and Investments		4,262,494
Total Cash and Investments	**$**	**4,392,986**

DEPOSITS

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels ($250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized.

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 2: CASH AND INVESTMENTS (Continued)

DEPOSITS

Custodial Credit Risk - Deposits

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and December 31, 2019, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

At December 31, 2019 the District's deposits are categorized as follows:

	Bank Balance	Carrying Balance
FDIC Insured	$ 250,000	$ 250,000
PDPA Collateralized (not in District's name)	365,057	2,806,568
Total	**$ 615,057**	**$ 3,056,568**

INVESTMENTS

During the year ended December 31, 2019, the District invested funds in the Colotrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to $1.00, approximating market value, and a maximum weighted average maturity of 60 days. These funds are rated AAAm by the Standard and Poor's Corporation. The balance of this investment at December 31, 2019 was $3,938,664.

Credit Risk
Colorado statutes specify which instruments units of local government may invest, which include:

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

The District's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

Concentration of Credit Risk

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

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 2: CASH AND INVESTMENTS (Continued)

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase unless authorized by the local board. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2019, the District did not have any investments requiring safekeeping.

NOTE 3: CAPITAL ASSETS

Changes in business-type activities capital assets for the year ended December 31, 2019 was as follows:

	Balance 1/1/19	Additions	Deletions	Balance 12/31/19
Business - Type Activities:				
Assets not being depreciated				
Land	$ 32,248	$ -	$ -	$ 32,248
Water Rights	212,405	-	-	212,405
Construction in Progress	2,171,554	3,054,591	543,361	4,682,784
Total assets not being depreciated	2,416,207	3,054,591	543,361	4,927,437
Assets being depreciated				
Buildings and Improvements	1,463,848	-	-	1,463,848
Treatment plants	22,418,564	58,167	-	22,476,731
Collection and distribution systems	5,348,055	628,742	-	5,976,797
Equipment	871,144	300,044	-	1,171,188
Total assets being depreciated	30,101,611	986,953	-	31,088,564
Less: Accumulated depreciation				
Buildings and Improvements	(225,098)	(30,036)	-	(255,134)
Treatment plants	(12,347,440)	(539,333)	-	(12,886,773)
Collection and distribution systems	(3,483,928)	(157,251)	-	(3,641,179)
Equipment	(543,271)	(77,737)	-	(621,008)
Total accumulated depreciation	(16,599,737)	(804,357)	-	(17,404,094)
Net Capital Assets	**$ 15,918,081**	**$ 3,237,187**	**$ 543,361**	**$ 18,611,907**

Depreciation is allocated to the District's operations as follows:

Water Fund	$ 323,256
Sanitation Fund	481,101
Total	**$ 804,357**

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 4: LONG-TERM OBLIGATIONS

The following is a schedule of changes in debt for the year ended December 31, 2019:

	Balance 1/1/19	Advances	Repayments	Balance 12/31/19	Current Portion	Interest Expense	Accrued Interest
Governmental Activities:							
2001 CWRPDA Note Payable	$ 1,019,372	$ -	$ 318,217	$ 701,155	$ 339,791	$ 49,771	$ 21,298
Compensated Absences	40,931	-	27,622	13,309	-	-	-
Business-type Activities:							
Compensated Absences	49,118	-	22,598	26,520	-	-	-
Total Obligations	**$ 1,109,421**	**$ -**	**$ 368,437**	**$ 740,984**	**$ 339,791**	**$ 49,771**	**$ 21,298**

In May 2001, the District took out a loan for $5,161,580 for sanitation capital improvements through the Colorado Water Resource and Power Development Authority, "(CWRDPA"). Although proceeds of the CWRPDA loan were used for improvements to the District's sanitation functions, the Loan Agreement provides that repayment of the Loan is a general obligation of the District, payable from all legally available sources of the District, including property taxes and is therefore reported as a noncurrent obligation of the governmental activities.

Loan payments are due semi-annually on February 1 and August 1. Semi-annual principal payments started at $90,000 beginning in 2001 and increase to $167,500 by 2021. The net effective interest rate is 4%. Debt service payments are made by the General Fund. The loan requires a three month operations and maintenance reserve based on budgeted sanitation operating expenses. The District has restricted cash in the General Fund in the amount of $251,250 for this purpose.

Scheduled payments on the loan is follows:

Year	Principal	Interest	Total
2020	$ 339,791	$ 51,116	$ 390,907
2021	361,364	25,868	387,232
Total	**$ 701,155**	**$ 76,984**	**$ 778,139**

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NOTE 5: PENSION PLANS

The District is a member of the Colorado County Officials and Employees Retirement Association (CCOERA) which offers a defined contribution plan. Required contributions are established by the governing board of the Association.

Under a defined contribution plan the benefits a participant will receive depend solely on the amount contributed to the participant's account plus the investment returns of those contributions.

Participation is mandatory for all employees after one year of employment. Eligible employees contribute five percent (5%) of their base pay, which is matched by the District. The plan has a five year vesting period and is distributed upon the employee's termination or retirement.

During the fiscal years 2019, 2018 and 2017, the District's and employees' required contributions were $41,108, $33,671, and $22,453 each, which was 5%, 5% and 4% of covered payroll totaling $822,161, $673,424, and $561,325, respectively. Total payroll for the years ending December 31, 2019, 2018 and 2017 was $887,224, $809,440, and $718,292 on the cash basis, respectively.

MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 6: FUND BALANCE RESERVATIONS/APPROPRIATIONS

Emergency Reserve

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations, which apply to the State of Colorado, all local governments, and special districts.

The District's financial activity for the year ended December 31, 2019 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth. Subsequent to December 31, 2019, revenue in excess of the District's "spending limit" must be refunded unless voters approve the retention of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases, and new debt.

At a November 4, 1997 election, the electors of the District authorized the District to collect, retain and expend the full amount of the revenues from all sources during 1997, as well as the full amount of all revenues generated by all sources for each subsequent year. This election authorized the spending of such revenues in each year without limitation under Article X, Section 20 of the Colorado Constitution.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

The Article requires an emergency reserve be set aside for 2019 in the amount of 3% or more of its fiscal year spending. At December 31, 2019, the District has restricted the following for emergencies based on the General Fund activity that is subject to the amendment:

General Fund	$34,000

The District believes it is in compliance with the provisions of the TABOR Amendment.

NOTE 7: RISK MANAGEMENT

The District carries insurance coverage for all foreseeable risks of loss. These include, but are not necessarily limited to, worker's compensation, property and liability, bond, and errors and omissions.

The District carries liability, property and bond coverage through commercial insurance carriers. Risk of loss is transferred to these carriers.

The District has not materially changed it coverage from previous years. Based on the lack of previous loss occurrences, the District has not recorded any liability for unpaid claims at December 31, 2019.

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MT. CRESTED BUTTE WATER & SANITATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 8: INTERNAL TRANSFERS

The District reports administrative activities in the General Fund, funded through a general operating mill levy with supplemental transfers from the Water and Wastewater Funds to cover operating expenses, or to those funds if taxes exceed administrative expenses. The operating mill levy is allocated equally against Water and Wastewater Fund administrative costs with the District tracking administrative costs separately for both activities. For the fiscal year, the District transferred excess taxes of $63,946 and $72,933 from the General Fund to the Water and Wastewater Funds, respectively.

To fully fund the CWRPDA loan payment not covered by the debt service mill levy, the Wastewater Fund transferred $219,057 to the General Fund.

NOTE 9: DEFICIT NET POSITION AND FUND BALANCE

As of December 31, 2019, the District had a deficit unassigned fund balance of $(34,000) in the General Fund due to the requirement to the restricted equity related to the emergency reserve requirements of TABOR as described in Note 6. As the District intends to balance administrative costs reported in the General Fund through transfers to and from the Water and Wastewater Funds, this deficit is anticipated to continue. Should the District be required to utilize the emergency reserve required by TABOR, additional transfers can be made from the remaining funds.

The District has a deficit net position of $(735,762) in the Governmental Activities specifically related to the inclusion of accrued compensated absences related to administrative employees as well as the outstanding CWRPDA loan balance and related accrued interest payable. While the deficit related to the accrued compensated absences, presently $13,309, is expected to continue with minor adjustment, the deficit net position related to the CWRPDA loan should decrease until the loan is repaid in 2021. Included in the deficit net position is a $(722,453) deficit Net Investment in Capital Assets related to the CWRPDA debt used to finance Wastewater Fund capital improvements. This deficit will similarly be reduced as the underlying debt is repaid.

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Required Supplementary Information

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MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

BUDGETARY COMPARISON SCHEDULE
General Fund
FOR THE YEAR ENDED DECEMBER 31, 2019
With Comparative Totals for the Year Ended December 31, 2018

	2019			
	Original & Final Budget	Actual	Variance With Final Budget	2018 Actual
REVENUES				
Taxes				
Property Taxes	$ 1,090,736	$ 1,087,280	$ (3,456)	$ 1,053,872
Specific Ownership Taxes	-	90,061	90,061	79,493
Other Taxes	-	2,477	2,477	-
TOTAL REVENUES	1,090,736	1,179,818	89,082	1,133,365
EXPENDITURES				
General Government				
Personnel Services	511,000	529,104	18,104	376,332
Fuel and Automotive	50,000	41,523	8,477	47,572
Insurance	60,000	67,508	(7,508)	53,871
Professional Fees	45,000	65,228	(20,228)	353,963
Supplies	120,000	50,985	69,015	50,702
Telephone and Utilities	-	19,005	(19,005)	15,116
Travel and Training	23,000	16,563	6,437	24,560
Other Expenses	83,505	95,922	(12,417)	94,187
Total General Government	892,505	885,838	42,875	1,016,303
Debt Service				
Principal	376,098	318,217	57,881	307,430
Interest	-	57,881	(57,881)	67,346
Total Debt Service	376,098	376,098	-	374,776
TOTAL EXPENDITURES	1,268,603	1,261,936	42,875	1,391,079
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(177,867)	(82,118)	131,957	(257,714)
OTHER FINANCING SOURCES (USES)				
Transfers In (net)	-	82,118	(82,118)	257,714
NET CHANGE IN FUND BALANCE - BUDGET BASIS	$ (177,867)	-	$ 49,839	-
FUND BALANCE, BEGINNING		-		-
FUND BALANCE, ENDING		$ -		$ -

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See accompanying Independent Auditors' Report.

Other Supplementary Information

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MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
Water Fund
FOR THE YEAR ENDED DECEMBER 31, 2019
With Comparative Totals for the Year Ended December 31, 2018

	2019			
	Final Budget	Actual	Variance with Final Budget	2018 Actual
Operating Revenues				
Utility Charges	$ 1,473,128	$ 1,476,848	$ 3,720	$ 1,247,571
Operating Expenses				
Personnel Services	377,000	371,333	5,667	417,023
Administrative/Office Expenses	-	-	-	542
Operating Supplies	184,000	171,615	12,385	125,398
Professional Fees	93,500	55,562	37,938	-
Repairs and Maintenance	320,000	186,462	133,538	173,679
Engineering	835,000	27,268	807,732	-
Telephone and Utilities	131,000	104,574	26,426	111,648
Other Operating Expenses	-	75	(75)	75
Other Capital Outlay	38,000	1,015,121	(977,121)	164,519
Total Expenditures	1,978,500	1,932,010	46,490	992,884
Operating Income (Loss)	(505,372)	(455,162)	50,210	254,687
Other Income (Expense)				
Investment Earnings	15,000	37,690	22,690	28,757
Other Revenue	5,000	3,097	(1,903)	6,266
Total Other Income (Expense)	20,000	40,787	20,787	35,023
Net Income (Loss) before Transfers	(485,372)	(414,375)	70,997	289,710
Transfers				
Transfers In/(Out)	-	63,946	63,946	(56,675)
Net Income (Loss), Budget Basis	(485,372)	(350,429)	134,943	233,035
Contributed Capital				
Plant Investment Fees	100,000	183,592	83,592	104,899
Change in Net Position (Budget Basis)	$ (385,372)	(166,837)	$ 218,535	337,934
Budget to GAAP Reconciliation				
Depreciation Expense		(323,256)		(320,871)
Capital Outlay		1,015,121		154,058
Change in Net Position - GAAP Basis		525,028		171,121
Net Position, Beginning		10,127,964		9,956,843
Net Position, Ending		$ 10,652,992		$ 10,127,964

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See accompanying Independent Auditors' Report.

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
Wastewater Fund
FOR THE YEAR ENDED DECEMBER 31, 2019
With Comparative Totals for the Year Ended December 31, 2018

	2019			
	Final Budget	Actual	Variance with Final Budget	2018 Actual
Operating Revenues				
Utility Charges	$ 1,269,085	$ 1,258,879	$ (10,206)	$ 1,204,721
Operating Expenses				
Personnel Services	437,000	398,765	38,235	369,150
Operating Supplies	253,000	248,674	4,326	199,141
Professional Fees	94,500	83,664	10,836	-
Repairs and Maintenance	301,000	149,549	151,451	232,397
Engineering	137,900	6,645	131,255	-
Telephone and Utilities	143,000	122,408	20,592	135,330
Other Capital Outlay	2,596,256	2,483,061	113,195	1,206,937
Total Expenditures	3,962,656	3,492,766	469,890	2,142,955
Operating Income (Loss)	(2,693,571)	(2,233,887)	459,684	(938,234)
Other Income (Expense)				
Investment Earnings	15,000	37,690	22,690	28,736
Other Revenue	5,000	957	(4,043)	3,061
Debt Service	-	-	-	(1,326,801)
Total Other Income (Expense)	20,000	38,647	18,647	(1,295,004)
Net Income (Loss) before Transfers & Contributions	(2,673,571)	(2,195,240)	478,331	(2,233,238)
Transfers				
Transfers In/(Out)	-	(146,064)	(146,064)	(201,039)
Net Income (Loss), Budget Basis	(2,673,571)	(2,341,304)	332,267	(2,434,277)
Contributed Capital				
Plant Investment Fees	150,000	318,453	168,453	239,989
Change in Net Position (Budget Basis)	$ (2,523,571)	(2,022,851)	$ 500,720	(2,194,288)
Budget to GAAP Reconciliation				
Principal Paid		-		1,326,801
Depreciation Expense		(481,101)		(464,224)
Capital Outlay		2,483,061		1,200,745
Change in Net Position - GAAP Basis		(20,891)		(130,966)
Net Position, Beginning		11,888,610		12,019,576
Net Position, Ending		$ 11,867,719		$ 11,888,610

DRAFT

See accompanying Independent Auditors' Report.

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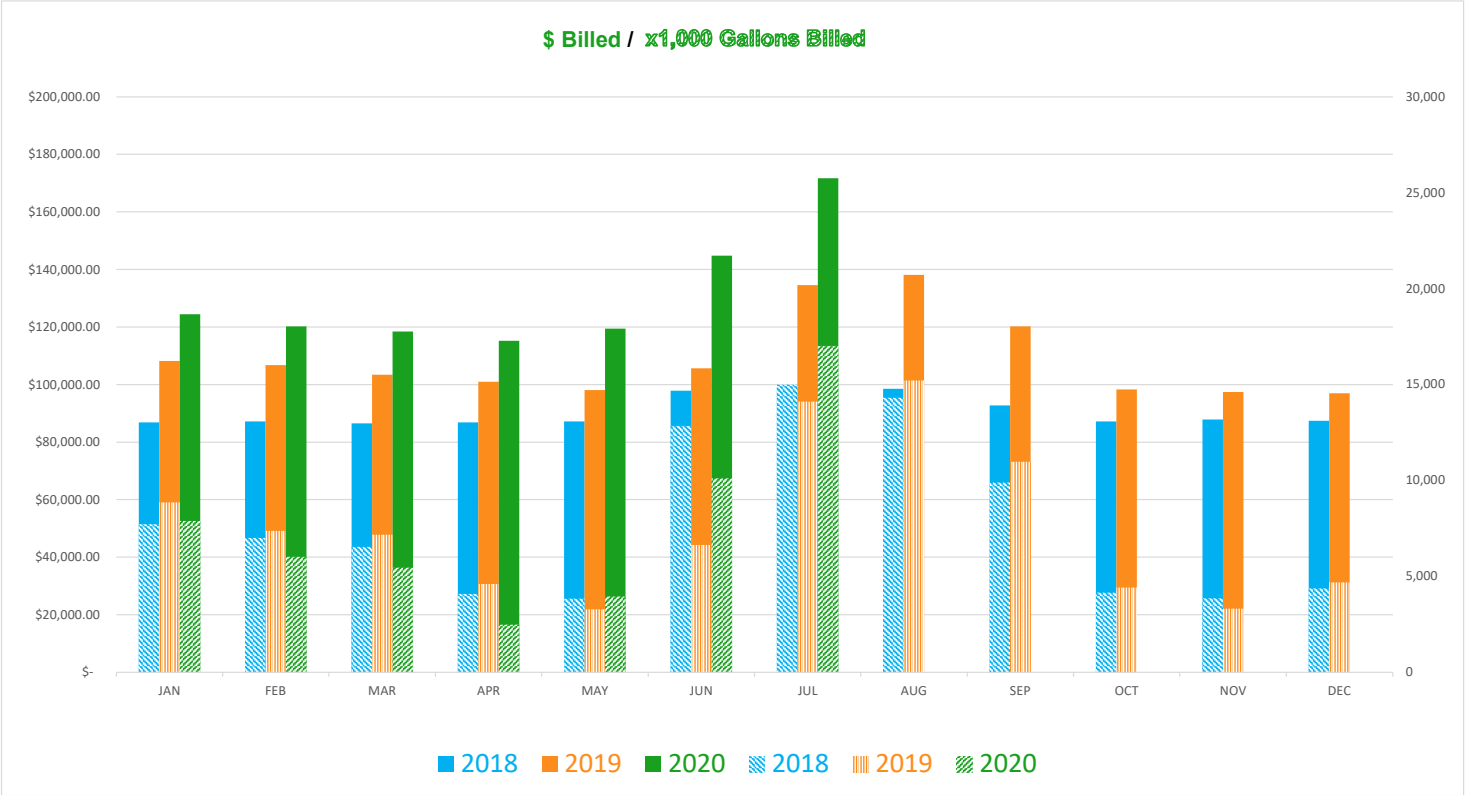
MT CRESTED BUTTE WATER & SANITATION DISTRICT

Water Billing: $ and Gallons

	2018 $ Billed	2019 $ Billed	2020 $ Billed	2018 x1,000 gallons	2019 x1,000 gallons	2020 x1,000 gallons	$ +/- 2018-2019	$ +/- 2019-2020
JAN	$ 86,820.95	$ 108,187.75	$ 124,440.26	7,717	8,860	7,884	$ 21,366.80	$ 16,252.51
FEB	87,196.25	106,780.66	120,200.86	7,004	7,374	6,021	19,584.41	13,420.20
MAR	86,569.77	103,409.02	118,489.03	6,531	7,172	5,454	16,839.25	15,080.01
APR	86,825.07	100,942.41	115,239.84	4,094	4,612	2,489	14,117.34	14,297.43
MAY	87,217.60	98,046.24	119,467.62	3,839	3,280	3,955	10,828.64	21,421.38
JUN	97,904.02	105,679.39	144,753.66	12,838	6,643	10,114	7,775.37	39,074.27
JUL	98,650.41	134,579.56	171,743.28	14,996	14,112	17,016	35,929.15	37,163.72
AUG	98,508.31	138,113.00		14,313	15,213		39,604.69	
SEP	92,759.14	120,246.00		9,895	10,982		27,486.86	
OCT	87,157.76	98,350.00		4,161	4,412		11,192.24	
NOV	87,872.08	97,373.52		3,846	3,315		9,501.44	
DEC	87,375.57	97,011.20		4,369	4,686		9,635.63	
	$ 1,084,856.93	$ 1,308,718.75	$ 914,334.55	93,603	90,661		$ 223,861.82	$ 156,709.52



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MT CRESTED BUTTE WATER & SANITATION DISTRICT

2020 FINANCIAL RESULTS

July, 2020

REVENUE	Water	Wastewater	General Fund	Total	YEAR-TO-DATE	BUDGET 2020 Water	Wastewater	General Fund	Total 2020	PERCENT of Y-T-D
PROPERTY TAXES	$ -	$ -	$ 226,008	$ 226,008	$ 1,130,766	$ -	$ -	$ 1,153,684	$ 1,153,684	98.01%
TRANSFERS IN(OUT)	-	-	-	-	(0)	36,414	36,414	(72,828)	-	0.00%
TAP FEES	182,316	333,896	-	516,212	899,525	140,000	210,000	-	350,000	257.01%
USER FEES	171,743	101,408	-	273,152	1,623,356	1,580,382	1,213,820	-	2,794,202	58.10%
AVAIL SERVICE FEES	(11)	(12)	-	(23)	89,075	82,811	94,016	-	176,827	50.37%
INTEREST INCOME	-	-	1,659	1,659	16,614	-	-	60,000	60,000	27.69%
MISC & OTHER INCOME	1,844	15	-	1,859	17,691	5,000	5,000	-	10,000	176.91%
MLP SURCHARGE 85/15	3,515	620	-	4,135	43,090	77,000	-	-	77,000	55.96%
TOTAL REVENUE	**359,406**	**435,927**	**227,667**	**1,023,001**	**3,820,117**	**1,921,607**	**1,559,250**	**1,140,856**	**4,621,713**	**82.66%**

EXPENDITURES Operations	Water	Wastewater	General Fund	Total	YEAR-TO-DATE	BUDGET 2020 Water	Wastewater	General Fund	Total 2020	PERCENT of Y-T-D
Chemicals	-	-	-	-	2,084	50,000	8,000	-	58,000	3.59%
Laboratory	1,460	9,778	-	11,238	51,196	50,000	100,000	-	150,000	34.13%
Operating Equipment/Supplies	30,623	1,980	-	32,603	96,304	50,000	30,000	-	80,000	120.38%
Safety Equipment	-	698	-	698	5,495	5,000	5,000	-	10,000	54.95%
Uniforms	287	322	-	609	2,500	5,000	5,000	-	10,000	25.00%
Outside Services	288	253	-	541	1,502	15,000	-	-	15,000	10.01%
Repairs & Maintenance	598	2,185	-	2,783	67,625	150,000	120,000	-	270,000	25.05%
Utilities	8,051	7,631	-	15,681	111,077	120,000	140,000	-	260,000	42.72%
ATAD Sludge TCB	-	25,634	-	25,634	25,634	-	78,000	-	78,000	32.86%
MLP Operations	3,061	144	-	3,205	22,547	45,000	5,000	-	50,000	45.09%
Legal	380	2,880	-	3,260	46,119	25,000	25,000	-	50,000	92.24%
Consultants	3,345	8,415	-	11,759	85,265	80,000	115,000	-	195,000	43.73%
Water Grant	-	-	-	-	2,000	2,000	-	-	2,000	100.00%
Engineering	-	-	-	-	-	25,000	25,000	-	50,000	0.00%
Fuel/Vehicle Expense	821	988		1,810	19,596	25,000	25,000	-	50,000	39.19%
Office Admin	1,979	8,790	4,372	15,141	179,484	45,000	45,000	282,000	372,000	48.25%
Salaries, Taxes & Benefits	31,491	39,198	38,223	108,912	769,489	464,650	401,650	446,700	1,313,000	58.61%
Bond Principal & Interest/Fees	-	-	-	-	188,828	-	-	377,656	377,656	50.00%
County Treasurer Fees	-	-	6,532	6,532	32,554	-	-	34,500	34,500	94.36%
TOTAL OPERATIONS EXPENDITURES	**82,382**	**108,897**	**49,127**	**240,406**	**1,709,300**	**1,156,650**	**1,127,650**	**1,140,856**	**3,425,156**	**49.90%**
Net Operating Results (Excl. CapEx)	**$ 277,024**	**$ 327,030**	**$ 178,540**	**$ 782,595**	**$ 2,110,817**	**764,957**	**431,600**	**0**	**1,196,557**	
Capital Improvements	296,812	191,226	-	488,038	1,917,660	8,244,000	734,000	0	8,978,000	
CWRPDA Loan Draws	(195,456)	-	-	(195,456)	(1,438,266)	(7,800,000)	-	-	(7,800,000)	
Net CapEx	101,356	191,226	-	292,583	479,395	444,000	734,000	-	1,178,000	
TOTAL ALL EXPENDITURES	**183,738**	**300,123**	**49,127**	**532,988**	**2,188,694**	**1,600,650**	**1,861,650**	**1,140,856**	**4,603,156**	
NET EXCESS(DEFICIT) OF REV/EXP	**$ 175,668**	**$ 135,804**	**$ 178,540**	**$ 490,012**	**$ 1,631,423**	**$ 320,957**	**$ (302,400)**	**$ -**	**$ 18,557**	

58% Year Elapsed

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MT CRESTED BUTTE WATER & SANITATION DISTRICT

Cash Flow Projection

Starting date	Jan-20
Cash balance alert minimum	2,000,000

	2020 BUDGET	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Total
Unrestricted Cash	4,262,494	4,262,494	4,254,560	4,035,554	4,174,894	4,103,549	4,040,040	5,409,735	
REVENUE		Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Total
PROPERTY TAXES	952,945	8,015	19,675	392,638	137,717	264,829	81,884	226,008	1,130,766
DEBT SERVICE TAXES	200,739								0
TAP FEES	350,000	4,062	100	200	49,050	152,446	177,455	516,212	899,525
USER FEES	2,794,202	225,692	221,393	219,696	216,462	220,784	246,178	273,152	1,623,357
AVAIL SERVICE FEES	176,827	0	0	44,797	0	0	44,301	(23)	89,075
INTEREST INCOME	60,000	5,779	4,661	3,901	2,878	1,993	1,388	1,659	22,259
MISC INCOME	10,000	460	3,730	2,317	810	3,290	5,226	1,859	17,692
MLP SURCHARGE	77,000	4,099	4,099	11,280	4,099	4,099	11,280	4,135	43,091
CWRPDA Loan Draw	7,800,000	0	0	0	0	0	1,242,810	195,456	1,438,266
TOTAL CASH RECEIPTS	12,421,713	248,107	253,658	674,829	411,016	647,441	1,810,522	1,218,458	5,264,031
Total cash available	16,684,207	4,510,601	4,508,218	4,710,383	4,585,910	4,750,990	5,850,562	6,628,193	
EXPENSES		Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Total
CHEMICALS	58,000	0	0	0	0	0	2,084	0	2,084
LABORATORY	150,000	3,923	2,294	7,632	7,448	6,490	12,172	11,238	51,197
OPERATING EQUIP / SUPPLIES	80,000	-1,836	2,270	7,165	12,191	20,581	23,330	32,603	96,304
SAFETY	10,000	59	310	1,078	171	1,248	1,931	698	5,495
UNIFORMS	10,000	430	0	0	0	529	933	609	2,501
OUTSIDE SERVICES	15,000	90	180	87	236	204	164	541	1,502
R&M	270,000	5,510	5,878	23,288	2,357	8,026	19,783	2,783	67,625
UTILITIES	260,000	0	22,131	20,687	19,565	17,427	15,587	15,681	111,078
ATAD SLUDGE	78,000	0	0	0	0	0	0	25,634	25,634
MLP OPERATIONS	50,000	746	3,370	7,203	1,510	2,437	4,075	3,205	22,546
LEGAL	50,000	0	13,799	3,712	4,770	15,112	5,467	3,260	46,120
WATER GRANT	2,000	0	2,000	0	0	0	0	0	2,000
OFFICE ADMIN	372,000	80,469	14,561	24,705	27,601	8,167	8,840	15,141	179,484
SALARIES / BENEFITS	1,313,000	122,329	106,353	103,777	105,969	114,026	108,122	108,912	769,488
VEHICLES / FUEL	50,000	6,352	1,918	5,287	1,813	686	1,733	1,810	19,599
CTY TREASURER FEES	34,500	13	357	11,607	3,750	7,794	2,313	6,532	32,366
CONSULTANTS	195,000	0	12,458	10,640	20,907	18,011	11,490	11,759	85,265
ENGINEERING	50,000	0	0	0	0	0	0	0	0
									0
SUBTOTAL CASH PAID OUT	3,047,500	218,085	187,879	226,868	208,288	220,738	218,024	240,406	1,520,288
									0
									0
BOND EXPENSES	377,656	0	188,828	0	0	0	0	0	188,828
CAPITAL IMPROVEMENTS	8,978,000	37,956	95,957	308,622	274,073	490,212	222,803	488,038	1,917,661
									0
SUBTOTAL	9,355,656	37,956	284,785	308,622	274,073	490,212	222,803	488,038	
TOTAL CASH PAID OUT	12,403,156	256,041	472,664	535,490	482,361	710,950	440,827	728,444	3,626,777
Change in Cash		(7,934)	(219,006)	139,340	(71,345)	(63,509)	1,369,695	490,014	1,637,255
Unrestricted Cash on hand (end of month)	4,281,051	4,254,560	4,035,554	4,174,894	4,103,549	4,040,040	5,409,735	5,899,749	**5,899,748**

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MCBWSD Cash Balances

JULY 2020 7/31/2020

1.	**NOW OPERATING ACCOUNT** - COMMUNITY BANKS OF COLORADO - 0.10%			
	All District User Fees and Misc Income			
	Balance on Hand as of	7/31/2020	$	1,250,838.24
2.	**DISTRICT MONEY MARKET** - COMMUNITY BANKS OF CO - 0.25%			
	Holding Account between COLOTrust and CBOC			
	Balance on Hand as of	7/31/2020		39,364.15
3.	**Revenue Isolation Account MONEY MARKET -**COMMUNITY BANKS OF COLORADO - .25%			
	Formerly MLP Funds; User Fees, Availability Fees & Tap Fees			
	Balance on Hand as of	7/31/2020		132,049.65
4.	**XPRESS DEPOSIT ACCT - Chase Bank ($25,000 min)**			
	Check Deposits Only			
	Balance on Hand as of	7/31/2020		67,410.18
5.	**XPRESS CREDIT CARD ACCT** - COMMUNITY BANKS OF COLORADO - .10%			
	Credit Card Deposits Only			
	Balance on Hand as of	7/31/2020		33,088.37
	Above Funds Available for Operating Expenditures Only		**$**	**1,522,750.59**
6	**DISTRICT MONEY MARKET ACCT** - COLOTRUST 7285 -			
	In Lieu of Water Rights (2002-2019)			
	Balance on Hand as of	7/31/2020		1,140,986.67
7	**DISTRICT MONEY MARKET** ACCT - 2M COLOTRUST 7287 - 2.42%			
	Reserve Funds & Debt Service			
	Balance on Hand as of	7/31/2020		457,178.44
6	**REVENUE ISOLATION MONEY MARKET ACCT** - COLOTRUST 7284 - 2.42%			
	Formerly MLP collected Fees, surcharges, A/S, and taps			
	Balance on Hand as of	7/31/2020		1,342,899.95
7	**TAP FEE ACCT - COLOTrust 7286**			
	Tap Fee Acct- Plant Investment Fees Deposited ONLY			
	Balance on Hand as of	7/31/2020		926,513.65
	TOTAL MONIES	7/31/2020	**$**	**5,390,329.30**

Total Monies from Bank Report	$	5,390,329.30
Other Debt Reserve (Bond)		(130,492.00)
Balance-In-Lieu of Water Rights Monies		(1,126,704.00)
UNRESTRICTED Balance Current Month		**4,133,133.30**

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CHECK REPORT - JULY 2020

Date	Check Number	Payee or Description	Check Amount	
7/28/2020	1	RETURNED DIRECTPAY - STEVENS, 2524011	99.79	
7/13/2020	2	CO UNEMPLOYMENT TAXES ACH - 2020, Q2	667.41	
7/2/2020	15586	CO EMPLOYER BENEFIT TRUST	24685.49	
7/16/2020	15587	ALPINE ENVIRONMENTAL CONSULTANTS LLC	1050.00	CONSULTANTS (102032 $140, 202032 $910)
7/16/2020	15588	AMAZON CAPITAL SERVICES	611.32	
7/16/2020	15589	B&B PRINTERS, GUNNISON, INC.	467.00	
7/16/2020	15590	BUTTE-IFUL GARDENS, LLC	221.50	
7/16/2020	15591	CABELA'S LLC/BASS PRO LLC	199.76	
7/16/2020	15592	CARQUEST - MONTY'S AUTO PARTS	163.87	
7/16/2020	15593	CASELLE, INC.	989.00	
7/16/2020	15594	CB AUTO REPAIR	354.80	
7/16/2020	15595	CITY OF GUNNISON	686.00	
7/16/2020	15596	CLARKSON CONCEPTS	6409.61	CONSULTANTS (102030 $3204.80, 202030 $3204.81
7/16/2020	15597	COMMERCIAL SPECIALISTS, INC.	90.00	
7/16/2020	15598	CRESTED BUTTE ACE HARDWARE	453.75	
7/16/2020	15599	CRESTED BUTTE NEWS INC	277.35	
7/16/2020	15600	DANA KEPNER COMPANY	8387.26	OP SUPPLIES - W
7/16/2020	15601	DUFFORD,WALDECK,MILBURN&KROHN	379.50	
7/16/2020	15602	EC ELECTRIC, INC.	1815.00	REPAIR & MAINT - WW
7/16/2020	15603	ELAN FINANCIAL SERVICES	2502.50	OFFICE SUP, OP SUP, PHONES, REPAIR & MAINT, SUBSCRIPTIONS, SAFETY, OTHER EXP
7/16/2020	15604	ENERGY LABORATORIES, INC.	6764.00	LAB EXPENSE - SAMPLING
7/16/2020	15605	FASTENAL COMPANY	441.74	
7/16/2020	15606	FERGUSON WATERWORKS #1116	94.40	
7/16/2020	15607	GRAINGER	179.05	
7/16/2020	15608	GUNNISON COUNTY ELECTRIC ASSOC	16265.67	UTILITIES
7/16/2020	15609	GUNNISON VALLEY FAMILY PHYS	160.00	
7/16/2020	15610	HACH COMPANY	819.41	
7/16/2020	15611	HDR, INC.	1270.00	CONSULTANTS (202030)
7/16/2020	15612	JOHN ROBERTS MOTOR WORKS CO.	405.51	
7/16/2020	15613	JVA, INCORPORATED	1306.00	HUNTER RIDGE INCLUSION APP
7/16/2020	15614	LAW OF THE ROCKIES, LLC	1797.10	LEGALS (10200105 $292.50)
7/16/2020	15615	LAWSON PRODUCTS, INC	205.76	
7/16/2020	15616	NAPA - LAUDICK AUTO PARTS INC	149.90	
7/16/2020	15617	PAPER-CLIP LLC	273.14	
7/16/2020	15618	PINYON ENVIRONMENTAL, INC	3029.75	CONSULTANTS (202034)
7/16/2020	15619	PITNEY BOWES INC.	84.99	
7/16/2020	15620	PORZAK BROWNING & BUSHONG LLP	2880.00	LEGALS - DRAFT DISCHARGE PERMIT
7/16/2020	15621	PROFESSIONAL DOCUMENT SOLUTION, INC.	67.25	
7/16/2020	15622	ROCKY MOUNTAIN AIR SOLUTIONS	608.84	
7/16/2020	15623	ROCKY MTN TREES & LANDSCAPING	146.83	
7/16/2020	15624	TOWN OF CRESTED BUTTE	24318.00	OUTSIDE SERVICES (ATAD JAN - MAY)
7/16/2020	15625	USA BLUE BOOK	135.69	
7/16/2020	15626	UTILITY NOTIFICATION CNTR CO	163.90	
7/16/2020	15627	WASTE MANAGEMENT CORPORATE SER, INC	287.20	
7/16/2020	15628	XEROX FINANCIAL SERVICES	167.43	
7/16/2020	15629	XTREAMINTERNET	159.00	
7/23/2020	15630	GUNNISON COUNTY ELECTRIC ASSOC	23570.00	WTP EXP (10200103)
7/23/2020	15631	GUNNISON COUNTY ELECTRIC ASSOC	23997.00	WTP EXP (10200103)
7/30/2020	15632	AIR COMPRESSOR SERVICE	1557.18	REPAIR & MAINT - MLP
7/30/2020	15633	AL'S BACKHOE SERVICE	300.00	
7/30/2020	15634	AMAZON CAPITAL SERVICES	557.98	
7/30/2020	15635	CABELA'S LLC/BASS PRO LLC	258.48	
7/30/2020	15636	COLORADO ANALYTICAL LAB, INC.	220.00	
7/30/2020	15637	COLORADO DEPT OF PUBLIC HEALTH	7430.00	PERMITS - WW
7/30/2020	15638	FERGUSON WATERWORKS #1116	527.66	
7/30/2020	15639	GUNNISON CO CLERK & RECORDER	13.00	
7/30/2020	15640	HACH COMPANY	421.56	
7/30/2020	15641	IDEXX DISTRIBUTION, INC.	495.19	
7/30/2020	15642	MOUNTAIN CLEAN INC	200.00	
7/30/2020	15643	PARISH OIL CO., INC.	142.21	
7/30/2020	15644	POSTMASTER	254.38	
7/30/2020	15645	SEACREST GROUP	2079.00	LAB EXPENSE - SAMPLING
7/30/2020	15646	TOWN OF CRESTED BUTTE	1316.00	OUTSIDE SERVICES (ATAD JUNE)
7/30/2020	15647	USA BLUE BOOK	436.23	
7/2/2020	92201	DIRECT DEPOSIT TOTAL	23796.91	

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CHECK REPORT - JULY 2020

Date	Check Number	Payee or Description	Check Amount	
7/17/2020	92202	DIRECT DEPOSIT TOTAL	24301.34	
7/3/2020	7032001	INTEGRATED WATER SERVICES, INC.	113818.42	CLARIFIER PRJ (20200103)
7/16/2020	7142010	CCOERA 401K	3473.75	
7/16/2020	7142011	CCOERA 457K	1251.28	
7/16/2020	7142012	FEDERAL WITHHOLDING TAXES	8541.90	
7/17/2020	7172030	ATMOS ENERGY	845.43	
7/17/2020	7172031	UPS	297.46	
7/17/2020	7172032	WRIGHT EXPRESS FLEET SVC	1413.03	FUEL
7/17/2020	7172033	BROWN, BRIAN	100.00	
7/17/2020	7172034	KEMPIN, NICHOLAS	100.00	
7/17/2020	7172035	VELADO, CARLOS	100.00	
7/17/2020	7172036	WOOLF, NANCY C.	100.00	
7/17/2020	7172037	CENTURYLINK	781.33	
7/29/2020	7292001	INTEGRATED WATER SERVICES, INC.	47932.79	CLARIFIER PRJ (20200103)
7/30/2020	7302001	UPS	213.60	
7/30/2020	7302002	UPS	20.02	
7/30/2020	7302010	MOLTZ CONSTRUCTION, INC.	183427.35	WTP EXP (10200103)
7/31/2020	7312030	JVA, INCORPORATED	260.00	HUNTER RIDGE INCLUSION APP
7/31/2020	7312031	JVA, INCORPORATED	62525.00	WTP EXP (10200101)
7/31/2020	7312032	JVA, INCORPORATED	29475.00	I&I STUDY (20200207)
7/31/2020	7312033	VERIZON WIRELESS	463.44	
7/31/2020	7312040	JVA, INCORPORATED	3000.00	WTP EXP (10200101)
7/2/2020	702202001	CCOERA 401K	3473.75	
7/2/2020	702202002	CCOERA 457K	1251.28	
7/2/2020	702202003	COLORADO STATE TAXES	2541.00	
7/2/2020	702202004	FEDERAL WITHHOLDING TAXES	8288.12	
			698259.54	

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Water Capital Projects Financial Summary

Activity#	Project Name	Division	Start Date	Estimated Completion Date
102001	WTP Expansion	Water	5/1/2020	6/1/2022

	20-WF-1	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	April 2020 Costs Incurred	May 2020 Costs Incurred	June 2020 Costs Incurred	July 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
01	*Project Management*	750,000	650,000	1,400,000							87,535	65,525	153,060	350,000	196,940	153,060	**1,246,940**
02	*Engineering*	1,200,000	-	1,200,000	902,917		94,099	147,826	99,523	54,890	615		396,953	297,083	(99,870)	1,299,870	**(99,870)**
03	*Construction*	17,150,000	700,000	17,850,000							186,566	230,994	417,560	7,150,000	6,732,440	417,560	**17,432,440**
04	*Contingencies*		2,675,000	2,675,000									-	-	-	-	**2,675,000**
05	*Legal*	-	50,000	50,000						30,405	1,827	293	32,524	-	(32,524)	32,524	**17,476**
08	*Permits*						1,003	1,668	32,704	299,837	(60,653)		274,559	-	(274,559)	274,559	**(274,559)**
	Total Project:	19,100,000	4,075,000	23,175,000	902,917	-	95,102	149,494	132,227	385,132	215,890	296,812	1,274,656	7,800,000	6,796,986	1,903,014	**21,271,986**

Negative amount results from Permit adjustment

Activity#	Project Name	Division	Start Date	Estimated Completion Date
102002	Daisy Circle	Water	1/1/2019	10/15/2020

	20-WF-2	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	April 2020 Costs Incurred	May 2020 Costs Incurred	June 2020 Costs Incurred	July 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
01	*Project Management*	5,000		5,000									-	5,000	5,000	-	
02	*Engineering*	24,000	-	24,000					3,500	8,750	1,800		14,050	24,000	9,950	14,050	**9,950**
03	*Construction*	120,000		120,000									-	120,000	120,000	-	**120,000**
	Total Project:	149,000	-	149,000	-	-	-	-	3,500	8,750	1,800	-	14,050	149,000	134,950	14,050	**129,950**

Activity#	Project Name	Division	Start Date	Estimated Completion Date
102003	1MG Tank Foundation-Timberland	Water	6/1/2020	8/30/2020

Project Tabled for 2020

	20-WF-3	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	April 2020 Costs Incurred	May 2020 Costs Incurred	June 2020 Costs Incurred	July 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
01	*Project Management*	15,000		15,000									-	15,000	15,000	-	
02	*Engineering*	35,000	-	35,000									-	35,000	35,000	-	**35,000**
03	*Construction*	150,000		150,000									-	150,000	150,000	-	**150,000**
	Total Project:	200,000	-	200,000	-	-	-	-	-	-	-	-	-	165,000	200,000	-	**185,000**

Note: Construction includes $10,000 for Small Tank Drainage Issue

Activity#	Project Name	Division	Start Date	Estimated Completion Date
102004	Backhoe	Water	10/1/2019	1/10/2020

	20-WF-4	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	April 2020 Costs Incurred	May 2020 Costs Incurred	June 2020 Costs Incurred	July 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
06	*Lease Buyout and Purchase*	167,500		-	37,956	37,956							37,956	129,544	91,588	75,912	**(75,912)**
	Total Project:	167,500	-	-	37,956	37,956	-	-	-	-	-	-	37,956	130,000	91,588	75,912	**(75,912)**

Note: 2020 Budget would be offset by sale of existing backhoe for approx $100,000

Total All Projects:	**$ 37,956**	**$ 95,102**	**$ 149,494**	**$ 135,727**	**$ 393,882**	**$ 217,690**	**$ 296,812**	**$ 1,326,662**	**$ 8,244,000**	**TOTAL Water CAPEX**

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WasteWater Capital Projects Financial Summary

Activity#	Project Name	Division	Start Date	Estimated Completion Date
202001	Clarifier Project	WasteWater	6/1/2019	3/1/2020

	20-WWF-1	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	April 2020 Costs Incurred	May 2020 Costs Incurred	June 2020 Costs Incurred	July 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
02	*Engineering*	87,900	-	87,900	57,379		1,008	1,163					2,170	30,521	28,351	59,549	**28,351**
03	*Construction*	2,695,600	404,760	2,600,360	1,654,521			148,834	138,346	89,230		161,751	538,161	1,041,079	502,918	2,192,682	**407,678**
	Total Project:	2,783,500	404,760	2,688,260	1,711,900	-	1,008	149,997	138,346	89,230	-	161,751	540,331	1,071,600	531,269	2,252,231	**436,029**

	Project Name	Division	Start Date	Estimated Completion Date
202002	Inflow & Infiltration (I&I) General-2020&Ongoing to 5-year Rollout	WasteWater	1/1/2020	1/1/2024

	20-WWF-2	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	April 2020 Costs Incurred	May 2020 Costs Incurred	June 2020 Costs Incurred	July 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
03	*Construction*	59,000		59,000									-	59,000	59,000	-	**59,000**
07	*Study*	65,000		65,000						7,100	5,875	29,475	42,450	65,000	22,550	42,450	**22,550**
	Total Project:	124,000	-	124,000	-	-	-	-	-	7,100	5,875	29,475	42,450	124,000	81,550	42,450	**81,550**

	Project Name	Division	Start Date	Estimated Completion Date
202003	Utility Bed Crew Cab Short Bed	Wastewater	1/1/2020	1/31/2020

	20-WWF-3	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	April 2020 Costs Incurred	May 2020 Costs Incurred	June 2020 Costs Incurred	July 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
06	*Purchase*	40,000		40,000									-	40,000	40,000	-	**40,000**
	Total Project:	40,000	-	40,000	-	-	-	-	-	-	-	-	-	40,000	40,000	-	**40,000**

	Project Name	Division	Start Date	Estimated Completion Date
202004	ATAD IGA Share	Wastewater	1/1/2020	12/31/2020

	20-WWF-4	Approved Project Budget Total	Adjustments to Initial Project Cost Estimate	Current Total Project Estimate	Project Costs Through 2019	January 2020 Costs Incurred	February 2020 Costs Incurred	March 2020 Costs Incurred	April 2020 Costs Incurred	May 2020 Costs Incurred	June 2020 Costs Incurred	July 2020 Costs Incurred	2020 YTD Costs	2020 Project Budget Plus 2019 Carryover	2020 Project Remaining Budget	Total Historical Project Costs to Date	Estimated Costs to Complete
02	*Engineering*	50,000	-	50,000									-	50,000	50,000	-	**50,000**
	Total Project:	50,000	-	50,000	-	-	-	-	-	-	-	-	-	50,000	50,000	-	**50,000**

Total All Projects:	**$ -**	**$ 1,008**	**$ 149,997**	**$ 138,346**	**$ 96,330**	**$ 5,875**	**$ 191,226**	**$ 582,781**	**$ 1,285,600**	**TOTAL WW CAPEX**	

Water Consulting Summary

Activity#	2020 Budget	Contractor	January	February	March	April	May	June	July	YTD	Remaining Budget
102030	$ 25,000	General			$ 648	$ 1,888	$ 4,958		$ 3,205	$ 10,698	$ 14,302
102031	10,000	Resource Engineering		1,909			324			$ 2,233	7,768
102032	35,000	Alpine Environmental (Water)		1,418	245	980	683	193	140	$ 3,658	31,343
102033	10,000	Raftelis MLP								$ -	10,000
	$ 80,000		$ -	$ 3,326	$ 893	$ 2,868	$ 5,964	$ 193	$ 3,345	$ 16,588	$ 63,412

WasteWater Consulting Summary

Activity#	2020 Budget	Contractor	January	February	March	April	May	June	July	YTD	Remaining Budget
202030	$ 25,000	General			$ 648		$ 2,043		$ 4,475	$ 7,165	17,835
202031	10,000	Resource Engineering		7,714	7,717	4,864	4,344			$ 24,639	(14,639)
202032	20,000	Alpine Env (Draft Discharge Permit)		1,418	1,383	175	718	753	910	$ 5,355	14,645
202033	10,000	Raftelis MLP				13,001				$ 13,001	(3,001)
202034	50,000	Pinyon (Draft Discharge Permit)					4,942	9,784	3,030	$ 17,756	32,245
	$ 115,000		$ -	$ 9,132	$ 9,747	$ 18,039	$ 12,046	$ 10,536	$ 8,415	$ 67,915	$ 47,085

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Water Repair & Maintenance Expected Expenditures

Activity#	2020 Budget	Project	January	February	March	April	May	June	July	YTD	Remaining Budget
	$ 85,000	General	$ 148	$ 1,747	$ 15,951	$ -	$ 3,165	$ 3,847	$ 598	$ 25,455	$ 59,545
	15,000	Crack Seal Timberland & Prospect						2,550		$ 2,550	12,450
	15,000	Ultrasonic Level Sensors								$ -	15,000
	20,000	Maintenance Tools								$ -	20,000
	15,000	Snow Machine								$ -	15,000
	$ 150,000		$ 148	$ 1,747	$ 15,951	$ -	$ 3,165	$ 6,397	$ 598	$ 28,005	$ 121,995

WasteWater Repair & Maintenance Expected Expenditures

Activity#	2020 Budget	Project	January	February	March	April	May	June	July	YTD	Remaining Budget
	$ 85,000	General	$ 5,362	$ 4,131	$ 7,337	$ 2,357	$ 4,862	$ 13,386	$ 2,185	$ 39,620	45,380
	35,000	Crack Seal								-	35,000
	$ 120,000		$ 5,362	$ 4,131	$ 7,337	$ 2,357	$ 4,862	$ 13,386	$ 2,185	$ 39,620	$ 80,380

MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
July 14, 2020

Regular Meeting of the Mt. Crested Butte Water and Sanitation District (MCBWSD) Board of Directors was held at 5:00 pm on Tuesday, **July 14, 2020**, via GoToMeeting at https://www.gotomeet.me/MCBWaterSanitationDistrict

Members of the Board of Directors in attendance at the meeting were as follows:
Brian Brown Carlos Velado Nicholas Kempin Nancy Woolf

Also present were:

Mike Fabbre, District Manager
Kyle Koelliker, Water Plant Supervisor
Tracy Davenport, Admin Assistant
Kim Wrisley, Admin Assistant
Marcus Lock, District's Attorney
Cooper Best, JVA Engineers
Scott Clarkson, Clarkson Concepts
Jaime Watt, Hunter Ridge LLC
Norm Whitehead, NCW & Associates
Michael Dawson, O'Hayre Dawson, P.C.
Toni Abbott
Kathy Hooge
Harold Duble
Patricia Mullin

1. Call to Order

- The meeting was called to order by Brown at 5:01 pm.

2. Work Session: Hunter Ridge Inclusion Application Discussion

- The work session began at 5:02.
- Velado recused himself and left the meeting to avoid any appearance of a conflict of interest because he is an employee of the Town of Mt Crested Butte.
- Fabbre presented a Hunter Ridge inclusion application timeline. Fabbre and Lock led discussion with Watt and Whitehead clarifying details of the application. All timeline dates are estimates.
- Whitehead submitted a wastewater capacity report to the District. The District has contracted with JVA for an independent study with an estimated completion date of July 31, 2020.
- Per the schedule timeline, the Draft Order of Decision is estimated to be completed by November 30, 2020.
- At Brown's request, Lock recited the rules and requirements of the statute regarding the Board's responsibilities for the inclusion of this property.
- The work session was adjourned at 5:37 pm and Velado rejoined the meeting.

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3. Citizens Comment Period

- No citizens presented comments.

4. Board Meeting Virtual Attendance, Resolution 2020-4

- Discussion took place to determine what the best practices are for a permanent Resolution 2020-4 regarding virtual attendance to future board meetings.

MOTION by Velado and seconded by Kempin to table the discussion of best practices for Resolution 2020-4 until county health orders allow the board to meet in person. Motion voted in favor.

5. COVID-19 Update – Revisit temporary late fee suspension

- The staff recommended the suspension of late fees be extended for another month because unpaid accounts are minimal and it may help those in need.
- The staff continues to follow guidelines of the county health order and all employees are healthy.

MOTION by Velado and seconded by Woolf to approve the extension of the District temporary late fee waiver for another month. Motion voted in favor.

6. Clarifier Project Update

- The clarifier project is 97% complete as a small leak was discovered during the substantial completion walk through on June 25, 2020.
- Integrated Water Services (IWS) requested substantial completion on June 26, 2020 and the District denied it until the clarifier is capable of its intended use.
- Liquidated damages for the project are at a rate of $500 per day so IWS is working quickly to repair the leak.
- Most of the punch list is complete, once the leak is repaired, it is anticipated final completion will come very quickly after substantial completion. There is a 2-year warrantee on all work.

- Paving for the project has also been completed. A portion of the paving will be a District expense as a result of the broken MCBWSD water service line to the UV building. The liquidated damages will be a point of discussion during final completion/final payment and release of the retainage amount.

Draft

7. Water Treatment Plant Expansion Project Update

- The District was not able to resolve the site access issues that the Crested Butte Fire Protection District requires. As a result, a pre-action sprinkler system to the existing and new building will be installed. This system will require multiple incidents to set it off which will help avoid accidental activation.
- Adding the sprinkler system will require a change order and a cost increase however we have realized significant cost savings of $85,000 from dewatering the backwash pond and $160,000 from the pipeline which will help offset the sprinkler increase.
- Koelliker mentioned that work has also begun on the East River Pump Station. The pre-construction meeting with Lacy Construction will be sometime next week.

8. PFAS Sampling Results Update

- The District took part in a state wide sampling project through the CDPHE and Terracon Consulting Engineers. The lab data results were “Non-detect” for all PFAS compounds at the Mt. CB WTP and the Meridian Lake Park WTP. Discussion continued around the great news that these man made “forever chemicals” are not contained in the District’s source water.

9. Water Committee Update

- The District water committee met with the Meridian Lake Park Corporation (MLPC) water committee, which includes Robin Smith and Scott Hamilton, on June 24 and July 8, 2020.
- The first meeting provided introductions and discussion of basic objectives.
- The committees agreed they would like Lock to help them put together the terminology and legal process to propose discontinuing the MOAs.
- The committees will be meeting every two weeks.
- Lock suggested the District water committee meet with him prior to their next meeting to discuss some of the action items for moving forward.
- The committee goal is to have a proposal for the District Board and the MLPC Board by October 15, 2020.

10. District Manager Report

- The District met all of the deadlines for the wastewater discharge permit submittals. The next non-disclosure meeting is set with the Division and the Attorney General’s office. The District continues to work diligently on these compliance issues.
- Fabbre requested the 1M gallon Timberland tank project included in the 2020 capital budget be tabled for the year because despite needing eventual repair, there is no immediate risk of failure. During water plant expansion construction, the tank serves a vital risk mitigation function as a potential emergency water source.
- The Daisy Circle mainline is the last piece of galvanized pipe in our system and requires replacement due to continual failures. The project opens for bidding July 16, 2020, closing July 31, 2020.

11. June 2020 Financial Report

- Velado reported financial results matched expectations. Tap fees exceed budget. 2020 usage is up from 2019. Cashflow is as anticipated with CWRPDA loan draws. Most of the significant payments related to the treatment plant expansion. The $297,000 credit to the Town of Mt CB was a correction to the original building permit estimate. Other expenditures track well with budget.
- There was brief discussion suggesting that at a future meeting the District examine the impact of tiered rates on conservation.

MOTION by Woolf and seconded by Velado to approve the June 2020 financial report. Motion voted in favor.

12. Approve Meeting Minutes

- Velado suggested that the first bullet point under item 11 regarding the discontinuation of board term limits be revised to reflect a statement rather than a question. It should state that to remove board term limits would require board authorization and a District vote.

MOTION by Velado and seconded by Woolf to approve the June 9, 2020 regular meeting minutes of the Board of Directors as amended. Motion voted in favor.

13. Legals

- Lock’s legal work has involved Spectrum’s vacation of the District’s building. Some issues continue due to the vacation of the building. The property should be returned to the District no later than July 31, 2020.

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14. New/Old Business Before the Board

- Fabbre noted that the District has been advertising the 5th board position for several months but has not received any applications. The ads will be discontinued for the time being.

15. Adjourn

MOTION by Velado and seconded by Kempin to adjourn the meeting at 7:04 pm. Motion voted in favor.

Kim Wrisley

Kim Wrisley – Administrative Assistant

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