

Town of Collbran, Colorado

Financial Statements
and
Independent Auditors' Report

December 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Town of Collbran, Colorado

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 Town of Collbran, Colorado, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Collbran, Colorado, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis in Section B and budgetary comparison information in Section E 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Collbran, Colorado's basic financial statements. The budgetary comparison information in Section F is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information in Section F is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above identified supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.


Jeff Wendland, CPA, LLC

Grand Junction, Colorado
July 26, 2021

Town of Collbran, Colorado

Management's Discussion and Analysis (Unaudited) December 31, 2020

The management of the Town of Collbran (the Town) presents the following discussion and analysis of the Town's financial performance to provide an overview of the Town's financial activities for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the Town.

Financial Highlights

- The Town's government-wide revenue totaled \$1,477,338 in 2020 compared to \$1,382,053 in 2019. The Town's assets exceeded its liabilities and deferred inflows by \$4,922,651 (net position) for the calendar year reported. Increase in net position in 2020 is \$289,010.
- Total net position is comprised of the following:
 - 1) Capital assets, net of related debt, of \$1,953,121 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - 2) Net position of \$82,974 are restricted by constraints imposed from outside the Town such as debt covenants, grantors, laws, or regulations.
 - 3) The balance of unrestricted net position of \$2,886,556 represent the portion available to maintain the Town's continuing obligations to citizens and creditors.
- The Town had \$853,734 in expenses related to governmental activities; program specific charges for services, grants or contributions offset \$179,451 of these expenses. General revenues (primarily taxes) provided the remaining funding for these programs.
- The Town's governmental funds reported total ending fund balance of \$2,126,293 this year. This compares to the prior year ending fund balance of \$1,994,276 showing an increase of \$132,017 or 6.6%, during the current year.
- The Business-type Funds reported a net position of \$1,834,978 at December 31, 2020, an increase of \$8,061 from December 31, 2019.
- At the end of the current calendar year, unassigned fund balance for the General Fund was \$2,029,116 or 142% of 2021 budgeted General Fund expenditures and transfers out to other funds.
- Overall, the Town continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements, fund financial statements and notes to the financial statements are discussed below.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. They are prepared using the full accrual basis of accounting.

The Statement of Net Position presents information on all of the Town's assets and liabilities (both short-term and long-term, if any), with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes and earned but unused vacation leave.)

Both government-wide financial statements distinguish functions of the town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, public works, municipal court, culture and recreation, and capital projects. The business-type activities of the Town include water and sewer.

The government-wide financial statements can be found on pages C1 and C2 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term

inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the conservation trust fund, and capital projects fund.

The basic governmental fund financial statements can be found on pages C3 through C5 of this report.

Proprietary funds. The Town maintains proprietary funds commonly known as enterprise funds and which report services for which fees are generally charged. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the business-type services provided by the Town.

The basic proprietary fund financial statements can be found on pages C6 through C8 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Town's budgetary comparisons for the general fund. Required supplemental information can be found on pages E1 through E2 of this report. Schedules of Revenues and Expenditures – Budget and Actual for the Capital Projects Fund, Conservation Trust Fund, Water Fund, and Sewer Fund are presented immediately following the required supplemental information. They can be found on pages F1 through F4 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve, over time, as a useful indicator of the government's financial position. In the case of the Town, assets exceeded liabilities and deferred inflows by \$4,922,651 at December 31, 2020 and by \$4,633,641 at December 31, 2019.

The following summarized the Town's net position at December 31:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 2,188,529	\$ 2,060,250	\$ 883,150	\$ 873,041	\$ 3,071,679	\$ 2,933,291
Capital assets, net of accumulated depreciation	<u>987,884</u>	<u>848,421</u>	<u>965,233</u>	<u>997,540</u>	<u>1,953,117</u>	<u>1,845,961</u>
Total assets	<u>3,176,413</u>	<u>2,908,671</u>	<u>1,848,383</u>	<u>1,870,581</u>	<u>5,024,796</u>	<u>4,779,252</u>
Current liabilities	70,918	76,667	13,405	27,224	84,323	103,891
Noncurrent liabilities	<u>-</u>	<u>8,426</u>	<u>-</u>	<u>16,440</u>	<u>-</u>	<u>24,866</u>
Total liabilities	<u>70,918</u>	<u>85,093</u>	<u>13,405</u>	<u>43,664</u>	<u>84,323</u>	<u>128,757</u>
Property taxes assessed, but not collectible until subsequent year	<u>17,822</u>	<u>16,849</u>	<u>-</u>	<u>-</u>	<u>17,822</u>	<u>16,849</u>
Total deferred inflows	<u>17,822</u>	<u>16,849</u>	<u>-</u>	<u>-</u>	<u>17,822</u>	<u>16,849</u>
Net position:						
Invested in capital assets, net of related debt	987,884	835,981	965,237	972,660	1,953,121	1,808,641
Restricted for recreation and culture	32,974	25,400	-	-	32,974	25,400
Restricted for emergencies	50,000	50,000	-	-	50,000	50,000
Unrestricted	<u>2,016,815</u>	<u>1,895,343</u>	<u>869,741</u>	<u>854,257</u>	<u>2,886,556</u>	<u>2,749,600</u>
Total net position	<u>\$ 3,087,673</u>	<u>\$ 2,806,724</u>	<u>\$ 1,834,978</u>	<u>\$ 1,826,917</u>	<u>\$ 4,922,651</u>	<u>\$ 4,633,641</u>

A significant portion of the Town's net position is reflected in the investment in capital assets (i.e. land, buildings, equipment, and infrastructure). The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Capital assets, net of accumulated depreciation, account for nearly 40% of the total net position as of 12/31/2020 and accounted for 39% of total net position as of 12/31/2019.

Government-wide Financial Analysis (continued)

The following summarizes the change in the Town's net position for the year ended December 31:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
REVENUES:						
Program revenues:						
Charges for services/fees	\$ 38,346	\$ 47,249	\$ 342,655	\$ 352,914	\$ 381,001	\$ 400,163
Operating grants/contrib.	876	7,022	-	-	876	7,022
Capital grants/contrib.	140,229	43,153	-	-	140,229	43,153
General revenues:					-	-
Taxes	936,888	886,714	-	-	936,888	886,714
Earnings on investments	18,344	48,000	-	-	18,344	48,000
Total revenues	<u>1,134,683</u>	<u>1,032,138</u>	<u>342,655</u>	<u>352,914</u>	<u>1,477,338</u>	<u>1,385,052</u>
EXPENSES:						
General government	405,751	305,079	-	-	405,751	305,079
Public safety	178,735	201,660	-	-	178,735	201,660
Public works	179,488	165,940	-	-	179,488	165,940
Municipal court	10,319	8,448	-	-	10,319	8,448
Culture and recreation	78,608	79,946	-	-	78,608	79,946
Water	-	-	183,783	174,107	183,783	174,107
Sewer	-	-	150,811	142,953	150,811	142,953
Interest on long-term debt	833	753	-	-	833	753
Total expenses	<u>853,734</u>	<u>761,826</u>	<u>334,594</u>	<u>317,060</u>	<u>1,188,328</u>	<u>1,078,886</u>
Change in net position	<u>280,949</u>	<u>270,312</u>	<u>8,061</u>	<u>35,854</u>	<u>289,010</u>	<u>306,166</u>
Net position January 1	<u>2,806,724</u>	<u>2,536,412</u>	<u>1,826,917</u>	<u>1,791,063</u>	<u>4,633,641</u>	<u>4,327,475</u>
Net position December 31	<u>\$ 3,087,673</u>	<u>\$ 2,806,724</u>	<u>\$ 1,834,978</u>	<u>\$ 1,826,917</u>	<u>\$ 4,922,651</u>	<u>\$ 4,633,641</u>

Governmental Revenues

The Town is heavily reliant on sales taxes to support governmental operations and capital. The Town's share of Mesa County's sales tax provided 67.3% of total governmental revenues and the Town sales tax provided 8.8%. Also, note that program revenues cover only about 21% of governmental operating expenses. This means that sales taxes, by far, fund the largest share of the governmental activities. As a result, the general economy and the local business environment have a major impact on the Town's revenue streams.

Governmental Functional Expenses

This table presents the cost of each of the County's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the Town's taxpayers by each of these functions.

	Governmental Activities 2020			2019 Net Cost	(Decrease) Increase	2018 Net Cost
	Total Cost of Services	Net Cost of Services	Net Cost % of Total			
General government	\$ 405,751	\$ 242,420	36.0%	\$ 269,265	\$ (26,845)	\$ 259,281
Public safety	178,735	178,685	26.5%	201,560	(22,875)	129,324
Public works	179,488	179,488	26.6%	140,117	39,371	(26,966)
Municipal court	10,319	5,424	0.8%	1,568	3,856	7,832
Culture and recreation	78,608	67,433	10.0%	51,139	16,294	78,403
Interest	833	833	0.1%	753	80	958
Total	<u>\$ 853,734</u>	<u>\$ 674,283</u>	<u>100.0%</u>	<u>\$ 664,402</u>	<u>\$ 9,881</u>	<u>\$ 448,832</u>

After reducing gross expenses by program revenues, general government function's net costs are 36% of the net cost of services, public safety totals just over 26%, public works is 27% and culture and recreation comprises about 10% of total net cost of services.

Financial Analysis of the Town's Funds

As mentioned earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the resources available at the end of the year in comparison with upcoming financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The General Fund has a fund balance of \$2,093,319 at December 31, 2020, an increase of \$102,110 from December 31, 2019. The unassigned portion of the fund balance in the amount of \$2,029,116 is available for spending. Legally restricted fund balances in the General Fund (i.e., the reserved fund balances) includes \$50,000 set aside for emergency purposes (as per the requirements of TABOR). \$14,203 represents inventories held for future consumption and does not represent available, spendable resources. The \$32,974 in the Conservation Trust Fund is restricted to future expenditures for recreation.

The total ending fund balances of governmental funds show an increase of \$132,017 or 6.6% above the prior year. This increase is primarily related to under-spending the 2020 budget by about 30%, primarily related to capital projects that were intended to be partially grant funded and for which funding was not received. Sales tax collections were about 15% higher than originally budgeted despite the impacts of Covid-19 and the Town received a little more than \$70,000 in CARES Act funding that was used to cover Covid-19 expenditures, including providing direct services to citizens.

Proprietary funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Water Fund – The Water Fund has a net position of \$1,409,219 at 12/31/20, an increase of \$35,399 over last year. Only \$699,926 represents amounts available to spend as the remainder is the investment in the water plant and infrastructure. Operating revenues were within 1% of budget, and expenses were about 42% of the budgeted amount, although much of the difference relates to a capital project that was not undertaken in 2020.

Sewer Fund – The Sewer Fund has a net position of \$425,759 at 12/31/20, a decrease of \$27,338 compared to last year. The investment in the sewer treatment plant and collection infrastructure is \$255,944, leaving \$169,815 available to cover future expenses and system maintenance and replacement. Operating revenues were about 91% of the budgeted amount and expenses were 39% of budget, again primarily due to a capital project that was not undertaken in 2020.

Budgetary Highlights

The budget to actual comparisons can be found on pages E1 through F4 of this report.

Capital Assets

Capital assets. The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2020, was \$1,953,121 (net of accumulated depreciation and not including associated debt), an increase of \$107,157, net of depreciation. Depreciation expense for governmental and business-type activities in 2020 was \$185,163 and capital assets totaling \$292,320 were acquired in 2020.

Economic Factors and Next Year's Budget

As we head into 2021, the Town of Collbran is in a healthy position to continue to support the critical services that keep the community healthy, safe and well. For 2021, Town revenues are projected to be \$1,423,468 and expenditures are budgeted at \$2,005,728, which includes significant capital investments in streets and water infrastructure. In 2020 the Town completed a capital improvement plan and utility rate study, and recommendations from these plans will be used as guiding documents for the future. For 2021, water rates were increased by 5% and sewer rates were increased by 10% to build additional reserves for future utility infrastructure improvements.

Contacting the Town's Financial Management

This financial report is intended to provide a general overview of the Town's finances, comply with finance-related laws and regulations, and demonstrate the Town's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Town's Finance Director at 1010 High Street, Collbran, CO 81624, or via email finance@townofcollbran.us.

Town of Collbran, Colorado
Statement of Net Position
December 31, 2020

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments - Unrestricted	\$ 1,977,946	\$ 857,632	\$ 2,835,578
Receivables, net:			
Property tax	17,822	-	17,822
User fee	-	25,518	25,518
Other receivables	7,404	-	7,404
Due from other governments	171,154	-	171,154
Inventory	14,203	-	14,203
Capital assets, net	987,884	965,233	1,953,117
Total Assets	\$ 3,176,413	\$ 1,848,383	\$ 5,024,796
Liabilities:			
Accounts payable	\$ 31,689	\$ 3,467	\$ 35,156
Accrued expenses and deposits	12,725	9,938	22,663
Compensated absences	26,504	-	26,504
Total Liabilities	\$ 70,918	\$ 13,405	\$ 84,323
Deferred Inflows:			
Property taxes assessed, but not earned until subsequent year	\$ 17,822	\$ -	\$ 17,822
Total Deferred Inflows	\$ 17,822	\$ -	\$ 17,822
Net Position:			
Net investment in capital assets	\$ 987,884	\$ 965,237	\$ 1,953,121
Restricted for recreation and culture	32,974	-	32,974
Restricted for emergencies	50,000	-	50,000
Unrestricted	2,016,815	869,741	2,886,556
Total Net Position	\$ 3,087,673	\$ 1,834,978	\$ 4,922,651

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

Town of Collbran, Colorado
Statement of Activities
For the Year Ended December 31, 2020

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services and Fees	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Governmental Activities:							
General government	\$ 405,751	\$ 30,434		\$ 132,897	\$ (242,420)		\$ (242,420)
Public safety	178,735	50	-	-	(178,685)		(178,685)
Public works	179,488	-	-	-	(179,488)		(179,488)
Municipal court	10,319	4,895	-	-	(5,424)		(5,424)
Culture and recreation	78,608	2,967	876	7,332	(67,433)		(67,433)
Interest on long-term debt	833	-	-	-	(833)		(833)
Total Governmental Activities	853,734	38,346	876	140,229	(674,283)		(674,283)
Business-type Activities:							
Water	183,783	219,182	-	-		\$ 35,399	35,399
Sewer	150,811	123,473	-	-		(27,338)	(27,338)
Total Business-type Activities	334,594	342,655	-	-		8,061	8,061
Total	\$ 1,188,328	\$ 381,001	\$ 876	\$ 140,229	(674,283)	8,061	(666,222)
General Revenues:							
Taxes:							
Property tax, levied for general purposes					16,889	-	16,889
Sales tax and use tax					875,687	-	875,687
Franchise tax					19,788	-	19,788
Highway User Tax					12,242	-	12,242
Mineral leasing tax					3,620	-	3,620
Road and Bridge Tax					661	-	661
Severance tax					5,419	-	5,419
Specific ownership tax					2,582	-	2,582
Earnings on investments					18,344	-	18,344
Total General Revenues and Transfers					955,232	-	955,232
Change in Net Position					280,949	8,061	289,010
Net Position - Beginning					2,806,724	1,826,917	4,633,641
Net Position - Ending					\$ 3,087,673	\$ 1,834,978	\$ 4,922,651

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

Town of Collbran, Colorado
Balance Sheet
Governmental Funds
December 31, 2020

	General Fund	Capital Projects Fund	Conservation Trust Fund	Total
Assets:				
Cash and investments - Unrestricted	\$ 1,944,972	\$ -	\$ 32,974	\$ 1,977,946
Due from other governments	171,154	-	-	171,154
Other receivables	7,404	-	-	7,404
Inventory	14,203	-	-	14,203
Property taxes assessed, but not collectible until subsequent year	17,822	-	-	-
Total Assets	\$ 2,155,555	\$ -	\$ 32,974	\$ 2,188,529
Liabilities and Fund Balance:				
Liabilities:				
Accounts payable	\$ 31,689	\$ -	-	\$ 31,689
Other current liabilities	12,725	-	-	12,725
Total Liabilities	44,414	-	-	44,414
Deferred Inflows of Resources:				
Property taxes assessed, but not collectible until subsequent year	17,822	-	-	17,822
Total Deferred Inflows	17,822	-	-	17,822
Fund Balance:				
Nonspendable fund balance	14,203	-	-	14,203
Restricted for recreation and culture	-	-	32,974	32,974
Restricted for emergencies	50,000	-	-	50,000
Unassigned fund balance	2,029,116	-	-	2,029,116
Total Fund Balance	2,093,319	-	32,974	2,126,293
Total Liabilities, Deferred Inflows, and Fund Balance	\$ 2,155,555	\$ -	\$ 32,974	\$ 2,188,529

**Amounts reported for governmental activities in the Statement
of Net Position are different because:**

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the government-wide statement of net assets, the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.

Cost of capital assets	\$ 2,507,532	\$ 987,884
Less accumulated depreciation	<u>1,519,648</u>	

Liabilities that are not due and payable in the current period and therefore are not reported in the funds but are reported on the government-wide statement of net assets.

Compensated absences	<u>(26,504)</u>	
	<u>\$ 3,087,673</u>	

Total Net Position - Governmental Activities

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

Town of Collbran, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2020

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Conservation Trust Fund</u>	<u>Total</u>
Revenues:				
Taxes	\$ 936,888	\$ -	\$ -	\$ 936,888
Other Revenues	172,119		7,332	179,451
Earnings on investments	18,103	-	242	18,345
Total Revenues	<u>1,127,110</u>	<u>-</u>	<u>7,574</u>	<u>1,134,684</u>
Expenditures:				
General government	449,119	-	-	449,119
Public safety	175,332	-	-	175,332
Public works	288,273	-	-	288,273
Municipal court	10,319	-	-	10,319
Culture and recreation	70,365	-	-	70,365
Capital lease:				
Interest	-	833	-	833
Principal	-	8,426	-	8,426
Total Expenditures	<u>993,408</u>	<u>9,259</u>	<u>-</u>	<u>1,002,667</u>
Other Financing Sources (Uses):				
Transfers in (out)	(31,592)	31,592	-	-
Total Other Financing Sources (Uses)	<u>(31,592)</u>	<u>31,592</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>102,110</u>	<u>22,333</u>	<u>7,574</u>	<u>132,017</u>
Change in Fund Balances	102,110	22,333	7,574	132,017
Fund Balance - Beginning	<u>1,991,209</u>	<u>(22,333)</u>	<u>25,400</u>	<u>1,994,276</u>
Fund Balance - Ending	<u>\$ 2,093,319</u>	<u>\$ -</u>	<u>\$ 32,974</u>	<u>\$ 2,126,293</u>

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

Town of Collbran, Colorado
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of Governmental
Funds to the Statement of Activities
For the Year Ended December 31, 2020

Net Change in Fund Balance of Governmental Funds	\$ 132,017
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Amounts reported for governmental activities
in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$230,131) exceeded depreciation (\$90,668) during the year.	139,463
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Compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Liability @ 12/31/20	26,504	
Liability @ 12/31/19	27,542	1,038

Repayment of note payable principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of repayments.	8,431
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Change in Net Position of Governmental Activities	<u>\$ 280,949</u>
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Town of Collbran, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2020

	Water Fund	Sewer Fund	Total
Assets:			
Current Assets:			
Cash	\$ 694,553	\$ 163,079	\$ 857,632
User fees receivable	13,076	12,442	25,518
Total Current Assets	<u>707,629</u>	<u>175,521</u>	<u>883,150</u>
Non-current Assets:			
Capital assets, at cost	1,990,157	1,752,826	3,742,983
Accumulated depreciation	<u>(1,280,864)</u>	<u>(1,496,882)</u>	<u>(2,777,746)</u>
Total Non-current Assets	<u>709,293</u>	<u>255,944</u>	<u>965,237</u>
Total Assets	<u>1,416,922</u>	<u>431,465</u>	<u>1,848,387</u>
Liabilities:			
Current Liabilities:			
Accounts payable	1,206	2,261	3,467
Deposits	<u>6,493</u>	<u>3,445</u>	<u>9,938</u>
Total Current Liabilities	<u>7,699</u>	<u>5,706</u>	<u>13,405</u>
Net Position:			
Net investment in capital assets	709,293	255,944	965,237
Unrestricted	<u>699,926</u>	<u>169,815</u>	<u>869,741</u>
Total Net Position	<u><u>\$ 1,409,219</u></u>	<u><u>\$ 425,759</u></u>	<u><u>\$ 1,834,978</u></u>

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

Town of Collbran, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Water Fund	Sewer Fund	Total
Operating Revenues:			
User charges	\$ 219,081	\$ 123,404	\$ 342,485
Other operating revenue	101	69	170
Total Operating Revenues	<u>219,182</u>	<u>123,473</u>	<u>342,655</u>
Operating Expenses:			
Salaries and benefits	\$ 40,374	\$ 32,971	\$ 73,345
Professional services	59,482	31,058	90,540
Supplies and chemicals	4,777	2,423	7,200
Utilities	13,067	26,256	39,323
Repairs and maintenance	4,202	11,255	15,457
Depreciation	51,687	42,808	94,495
Other	10,194	4,040	14,234
Total Operating Expenses	<u>183,783</u>	<u>150,811</u>	<u>334,594</u>
Operating Income (Loss)	35,399	(27,338)	8,061
Change in Net Position	35,399	(27,338)	8,061
Net Position - Beginning	<u>1,373,820</u>	<u>453,097</u>	<u>1,826,917</u>
Net Position - Ending	<u><u>\$ 1,409,219</u></u>	<u><u>\$ 425,759</u></u>	<u><u>\$ 1,834,978</u></u>

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

Town of Collbran, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Water Fund	Sewer Fund	Total
Cash Flows From Operating Activities:			
Cash received from customers	\$ 206,690	\$ 128,142	\$ 334,832
Cash payments for goods and services	(94,414)	(76,627)	(171,041)
Cash payments to employees	(40,374)	(32,971)	(73,345)
Net Cash Provided (Used) by Operating Activities	<u>71,902</u>	<u>18,544</u>	<u>90,446</u>
Cash Flows From Financing Activities			
Lease payments	(12,440)	(12,440)	(24,880)
Net Cash Provided (Used) by Financing Activities	<u>(12,440)</u>	<u>(12,440)</u>	<u>(24,880)</u>
Cash Flows From Capital Activities			
Purchase of fixed assets	(22,423)	(39,766)	(62,189)
Net Change in Cash and Cash Equivalents	37,039	(33,662)	3,377
Cash and Cash Equivalents - Beginning	657,513	196,738	854,251
Cash and Cash Equivalents - Ending	<u>\$ 694,552</u>	<u>\$ 163,076</u>	<u>\$ 857,628</u>
Reconciliation of Operating (Loss) to Net Cash (Used) by Operating Activities:			
Operating Income (loss)	\$ 35,399	\$ (27,338)	\$ 8,061
Adjustments to Reconcile:			-
Depreciation	51,687	42,808	94,495
(Increase) decrease in accounts receivable	(11,846)	5,118	(6,728)
Increase (decrease) in accounts payable	(2,692)	(1,592)	(4,284)
Increase (decrease) in customer deposits	(646)	(452)	(1,098)
Total Adjustments	<u>36,503</u>	<u>45,882</u>	<u>82,385</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 71,902</u>	<u>\$ 18,544</u>	<u>\$ 90,446</u>

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

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

I. Summary of Significant Accounting Policies

The Town of Collbran, Colorado, (the "Town") was incorporated under Colorado statutes in 1908. An elected Mayor and Town Board are responsible for setting policy, appointing administrative personnel, and adopting an annual budget in accordance with state statutes. The Town's major operations include public safety, public works, and culture and recreation.

The Town's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established by GAAP used by the Town are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the Town, and (b) organizations for which the Town is financially accountable. The Town is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the Town. Organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, the Town is not financially accountable for any other entity nor is the Town a component unit of any other government.

B. Government-wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's public safety, public works, municipal court, culture and recreation, and administration are classified as governmental activities. The Town's water and sewer utilities are classified as business-type activities.

The statement of net position presents the financial position of the Town at year end. The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (public safety, public works, utilities, etc.). The functions are also supported by general government revenues (property and sales taxes, specific ownership taxes, investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the Town as an entity and the change in the Town's net assets resulting from the current year's activities.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

I. Summary of Significant Accounting Practices (continued)

C. Fund Financial Statements

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows, reserves, fund equity, revenues and expenditures/expenses.

The fund focus is on current available resources and budget compliance.

The Town reports the following governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for another fund.

The *Conservation Trust Fund* accounts for lottery proceeds required to be expended solely on park and recreation improvements.

The *Capital Projects Fund* accounts for the construction or acquisition of capital facilities. Receipts for these purposes arise from the sale of bonds, capital lease arrangements, grants from other governments, and transfers from other funds.

The Town reports the following proprietary or business-type funds:

The *Water Fund* accounts for the delivery of water to the citizens of the Town.

The *Sewer Fund* accounts for sewer service to the citizens of the Town.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

I. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers and applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

E. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less.

2. Investments

Investments are stated at fair value. Investments in governmental external investment pools are governed by Part 7 of Article 75 of the Colorado Revised Statutes and are exempt from registration with the Securities and Exchange Commission. The pools operate like a mutual fund with each share valued at \$1. The State Securities Commission administers and enforces all State statutes governing the investments pools.

3. Receivables

Receivables are reported net of an allowance for uncollectible accounts. No allowance is recorded at December 31, 2020, as all accounts are considered to be collectible.

4. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental unit until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and as deferred inflows.

5. Interfund Receivables and Payables

Balances at year-end between funds are reported as "due to/from other funds" in the fund financial statements. Any residual balances not eliminated between the governmental and business-type activities are reported as "internal balances" in the government-wide financial statements.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

6. Consumable Inventories

On the government-wide financial statements, inventories are presented on an average cost basis and are expensed when used (i.e. the consumption method). On the fund financial statements, inventories of governmental funds are stated at an average cost basis. The cost of inventory items is recorded as expenditures in the governmental fund types when consumed.

7. Capital Assets

Capital assets, which include land, treatment plants, reservoirs, distribution systems, buildings and improvements, equipment, vehicles, and infrastructure assets (only infrastructure acquired after January 1, 2003) are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial cost of \$750 or more (\$3,000 for infrastructure) and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

Infrastructure assets are being capitalized prospectively beginning in 2003.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets.

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

Assets	Years
Reservoirs and treatment plants	40
Land Improvements	10-20
Distribution systems	15-40
Buildings and improvements	30
Equipment and vehicles	3-15
Street improvements	5-12

At the inception of capital leases at the governmental fund reporting level, expenditures and any "other financing source" of an equal amount are reported at the net present value of the future minimum lease payments.

Because the historical cost of these assets is generally minimal, these assets would not materially change the amount of capital assets currently reported.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

8. Compensated Absences

The Town accrues a liability for compensated absences when the Town's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered, when the obligation relates to rights that vest or accumulate, when payment of the compensation is probable, and when the amount can be reasonably estimated. In accordance with these criteria, the Town has accrued a liability for annual leave that has been earned but not taken by Town employees, as well as for 1/8th of sick leave that has been earned but not taken.

All compensated absences liabilities include salary-related payments, where applicable. The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only if they have matured.

Proprietary Funds – Accumulated vested sick and vacation pay at December 31, 2020 has not been accrued in the proprietary funds since they would not have a material effect on the financial statements.

9. Non-operating revenues

The Town recognizes revenues for services provided to customers as operating revenue. Other receipts are accounted for as non-operating revenue. Non-operating revenues include:

Tap fees - Accounting and Financial Reporting for Non-exchange Transactions, GASB 33, requires that government entities that receives tap fees record the tap fees as revenue for accounting periods beginning after June 15, 2000. The Town collected no tap fees during the year ended December 31, 2020.

Watershed permit fees – The Town is reimbursed by applicants for the cost of evaluating and issuing permits to operate in the Town's watershed. No watershed permit fees were issued in 2020.

10. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Town's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

11. Legal Provisions and Authorization for Deposits

The Town pools deposits and investments of all funds. Each fund's share of the pool is readily identified by the Town's internal records. The Town is governed by state statutes as to the type of institutions and investments with which it may deposit funds and transact business.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

12. Fund Equity and Fund Balances

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.” Beginning with fiscal year 2011, the Town implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. In the fund financial statements, the following classifications describe the relative strength of the spending constraints.

- Non-spendable fund balance – the portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or is legally or contractually required to be maintained intact.
- Restricted fund balance – the portion of fund balance constrained to being used for a specific purpose (such as grantors or bondholders), constitutional provisions or enabling legislation.
- Committed fund balance – the portion of fund balance constrained through adopted resolution or policy by the Board of Trustees, the highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action.
- Assigned fund balance – the portion of fund balance that reflects a government’s intended use of resources. Assignments are set aside by the Board of Trustees through the adoption and subsequent amendment of the annual budget. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are intended to be used for the purpose of that particular fund.
- Unassigned fund balance – the portion of fund balance that is not classified as non-spendable, restricted, committed or assigned. The Town will only report a positive unassigned fund balance in the General Fund.

Net Position - Net position represents the difference between assets, liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets. Net position is reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

I. Summary of Significant Accounting Policies (continued)

F. Financial Statement Accounts (continued)

13. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted). Transfers between funds reported in the governmental activities column are eliminated.

14. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

15. Comparative Data

Certain comparative data for the prior year have been presented to provide an understanding of the changes in the financial position and operations. This data is not included at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Town's financial statements for the year ended December 31, 2019, from which the data was derived. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

16. Recent Accounting Pronouncements

In May of 2020, GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. This statement postpones by one year the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

II. Reconciliation of Government-wide and Fund Financial Statements

Explanation of Certain Differences between the Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance includes reconciliation between *net change in fund balances of governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense." The details of this \$139,463 difference are capital outlays of \$230,131 less depreciation expense of \$90,668.

III. Stewardship, Compliance and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the proprietary funds. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year-end.

As required by Colorado Statutes, the Town followed the required timetable noted below in preparing, approving, and enacting its budget for 2020.

1. For the 2020 budget year, prior to August 25, 2019, the County Assessor sent to the Town an assessed valuation of all taxable property within the Town's boundaries.
2. The Town Administrator, or other qualified person appointed by the Board, submitted to the Board, on or before October 15, 2019, a recommended budget which detailed the necessary property taxes along with other available revenues to meet the Town's operating requirements.
3. Prior to December 15, 2019, a public hearing was held for the budget, the Board certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget, and the Board adopted the proposed budget and an appropriating resolution that legally appropriated expenditures for the upcoming year.
4. After adoption of the budget resolution, the Town may make the following changes: a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2019 were collected in 2020 and taxes certified in 2020 will be collected in 2021. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

III. Stewardship, Compliance and Accountability (continued)

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax, and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved \$50,000, which is the approximate required reserve at December 31, 2020.

The Town's voters approved the following ballot question which will allow the Town to collect, retain, and expend the full proceeds of the Town's sales tax, use tax, property tax, state grants, and other revenues from the date of November 8, 1994 and thereafter:

Shall the Town of Collbran, Mesa County, Colorado, without any increase in the property tax mill levy and sales and use tax rates, be authorized to increase its revenue and expenditure limitations established under Article X, Section 20 of the Colorado Constitution (commonly known as Amendment 1 and/or the TABOR Amendment) during 1994 and each subsequent year; to receive and expend state grants; and to receive and expend all sales tax, use tax and property tax revenues for capital projects and other basic municipal services without limiting in any year the amount of other revenues that may be collected and spent by the Town of Collbran.

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

C. Fund Balance

Beginning with fiscal year 2011, the Town implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. In the fund financial statements, the following classifications describe the relative strength of the spending constraint.

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid expense and inventory) or is legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

III. Stewardship, Compliance and Accountability (continued)

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the Town's highest level of decision-making authority, the Town Board of Trustees, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Town Board of Trustees.

Assigned fund balance – The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Town Board of Trustees or other individuals authorized to assign funds to be used for a specific purpose.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance in the General Fund.

There are currently no commitments or assignments of the Town's net assets. If both restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is Town policy to use restricted amounts first. Unrestricted fund balance will be used in the following order; committed, assigned, and unassigned.

IV. Detailed Notes on All Funds

A. Deposits and Investments

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

Colorado statutes specify instruments that local governments may invest, and include:

- Obligations of the U.S. and certain U.S. government agencies securities
- Certain international agency securities
- General obligation and revenue bonds for 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

At year-end, the carrying amount of the Town's deposits was \$779,321 and the bank balance was \$858,685. Of the bank balance, \$250,000 was covered by federal depository insurance and \$608,685 was uninsured but collateralized with securities held by a third party in the name of the CPDPA.

Interest Rate Risk. The Town limits its investments to savings accounts and investment pools (explained below) where each share is equal to one dollar and the Town avoids interest rate risk.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Credit Risk. State law and Town policy limit investments to those authorized by State statutes including U.S. Agencies and 2a7-like pools. The Town's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The Town invests most funds in 2a7-like pools and thus avoids a concentration of credit risk.

Pools. The Town has invested in Colorado Local Government Liquid Asset Trust (ColoTrust) and Colorado Surplus Asset Fund Trust (C-SAFE). The trusts are investment vehicles established for local government entities in Colorado to pool surplus funds. The trusts operate similarly to a money market fund and each share is valued at the net asset value (NAV) of \$1. Investments of the trusts consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to the trusts in connection with their direct investment and withdrawal functions. Substantially all securities owned by the trusts are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the trusts. The Town's investment is measured at NAV.

A summary of the Town's cash and investments at December 31, 2020 are shown below:

Type	Rating	Bank Balance	Carrying Amount	Maturities	
				Less Than One Year	Less Than Five Years
Deposits:					
Checking		\$ 858,685	\$ 779,321	\$ 779,321	\$ -
Investments:					
C Safe	AAAm	833,794	833,794	833,794	-
ColoTrust	AAAm	1,122,037	1,222,037	1,222,037	-
Total investments		1,955,831	2,055,831	2,055,831	-
Total Deposits and Investments		\$ 2,814,516	\$ 2,835,152	\$ 2,835,152	\$ -

Further information regarding CSafe and ColoTrust can be found at www.csafe.org and www.colotrust.com, respectively.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

IV. Detailed Notes on All Funds (continued)

B. Receivables

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The \$17,822 of deferred inflows is property taxes levied in 2020 but not available until 2021.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

IV. Detailed Notes on All Funds (continued)

D. Capital Assets

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

		Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Governmental funds:					
Equipment		\$ 470,220	\$ 98,095		\$ 568,315
Buildings		558,472	-	-	558,472
Improvements		666,068	43,843	-	709,911
Infrastructure		448,989	88,193	-	537,182
	Total	2,143,749	230,131	-	2,373,880
Less depreciation and amortization		(1,428,980)	(90,668)		(1,519,648)
	Net	714,769	139,463	-	854,232
Land		133,647	-	-	133,647
	Total - Governmental Funds	848,416	139,463	-	987,879
Proprietary Funds:					
Water					
Equipment		176,630	6,283	-	182,913
Water system		854,071	16,140	-	870,211
Reservoirs		84,363	-	-	84,363
Water Treatment Plant		852,667	-	-	852,667
	Total	1,967,731	22,423	-	1,990,154
Less depreciation		(1,229,178)	(51,687)	-	(1,280,865)
	Total - Water Fund	738,553	(29,264)	-	709,289
Sewer					
Equipment		116,702	-	-	116,702
Sewer System		1,552,773	39,766	-	1,592,539
	Total	1,669,475	39,766	-	1,709,241
Less Depreciation		(1,454,074)	(42,808)	-	(1,496,882)
	Net	215,401	(3,042)	-	212,359
Land		43,585	-	-	43,585
	Total - Sewer Fund	258,986	(3,042)	-	255,944
	Total Proprietary Funds	997,539	(32,306)	-	965,233
Total fixed assets - net - all funds		\$ 1,845,955	\$ 107,157	\$ -	\$ 1,953,112

Depreciation expense was charged to functions as follows:

	Governmental Activities	Business-type Activities
General Government	\$ 39,311	
Public Safety	14,875	
Public Works	22,204	
Parks and Recreation	14,278	
Water Fund		\$ 51,687
Sewer Fund		42,808
	<u>\$ 90,668</u>	<u>\$ 94,495</u>

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

IV. Detailed Notes on All Funds (continued)

E. Long-term Liabilities – Governmental Activities

Compensated Absences

The Town has a policy for the accumulation of sick pay up to certain limits. Vacation pay is accumulated from commencement of employment and may be used after six months of employment. Sick pay may be accumulated to a maximum of 90 days but will be forfeited upon termination. Vacation pay may be accumulated up to 21 days and accrued vacation will be paid upon termination. The Town also accumulates compensatory leave which must be used or paid within 30 days. The amount accrued for compensated absences at 12/31/20 is \$26,504.

V. Other information

A. Pension Plans

1. Defined Contribution Plan – IRC Section 401 (a)

The Town offers a defined contribution pension plan which covers all permanent paid employees and elected officials of the Town. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees are eligible to participate in the Plan from the date of employment. The Plan provides for contributions to be made by the Town and the employee of 8% each.

The Plan is administered by the Colorado Retirement Association (CRA, formerly known as Colorado Counties and Employees Retirement Association) for all employees and council members.

The total amount of the Town employees' covered payroll for the year ended December 31, 2020 was \$242,575 with a total payroll of \$332,454. The Town's required and actual contributions to the Plan for the year ended December 31, 2020 were \$19,406. The Town's contributions represent 8% of covered payroll.

The Town has no liability for losses under the Plan, but the Town does have the duty of care that would be required of an ordinary prudent investor.

2. Deferred Compensation Plan – IRC Section 457

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the Plan participants and their beneficiaries.

The accrual basis of accounting is used for the Plan. Revenues are recognized when earned and expenditures are recognized when incurred. Investments are recorded at market value.

Plan investment purchases are determined by the Plan participant and therefore, the Plan's investment concentration varies between participants.

The Town has no liability for losses under the Plan but does have the duty of due care that would be required of an ordinary prudent investor.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

V. Other Information (continued)

B. Risk Management

The Town is exposed to various risks of loss related to workers' compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. The Town carries commercial coverage for these risks and claims and does not expect claims to exceed their coverage.

CIRSA - The Town is exposed to various risks of loss related to liability, property and casualty losses. To insure against those losses, the Town is a member of CIRSA, a public entity risk pool currently operating as a common risk management and insurance program for member municipalities. The Town pays an annual contribution to CIRSA for its liability, property and casualty insurance coverage.

The intergovernmental agreement of formation of CIRSA provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs. There also exists the potential for return of contributions should the results of pool operations result in surpluses in excess of those required by State law and the bylaws of the pool. Any refunds of excess contributions are used to reduce the current year contribution. As such, the contributions to CIRSA has been reported as expenditures or expenses. Separately issued financial reports for CIRSA is available by contacting them at their Denver office or at www.cirsa.org.

Insurance coverage for worker's compensation is provided through Pinnacol Assurance, a quasi-public authority.

There were no settlements on behalf the Town of Collbran in excess of insurance coverage for the last three fiscal years.

C. Contingencies - Claim

During the normal course of business, the Town may incur claims and other assertions against it from various agencies and individuals. Management of the Town and their legal representatives feel that these claims or assertions are inconsequential and/or not susceptible to reasonable estimation. Therefore, no liabilities have been recorded for these possible claims or assertions.

D. Land Lease and Indemnity Agreement

The Town entered into an agreement with Grand Valley National Bank (the "Bank") on April 23, 2003, whereby the Town has leased certain real property to the Bank, paid for the demolition and removal of a structure on the property, and agreed to indemnify the Bank for any and all future costs associated with any environmental hazards which may exist on or beneath the property. The Bank has paid the Town \$60,000 for the lease for a term of 60 years, unless terminated sooner by purchase or otherwise. The Bank has paid the Town an additional \$90,000 for the indemnity agreement. The Bank has an option to purchase the property anytime during the term of the lease for an additional \$60,000.

Town of Collbran, Colorado
Notes to the Financial Statements
December 31, 2020

E. Capital Lease Obligation

During the year ended December 31, 2016 the Town leased a backhoe. The lease met the criteria for a capital lease. Accordingly, the cost of the backhoe was capitalized, depreciated, and the present value of the lease obligation was carried as a liability. One third of the cost of the backhoe and present value of the lease obligation (\$77,184) was assigned to each of the general fund, water fund and sewer fund. The lease was paid in full in late 2020 and the purchase option was exercised. No further lease payments or obligations remain.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

Town of Collbran, Colorado
Schedule of Revenues
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Budget Variance Positive (Negative)
Taxes:			
General property	\$ 16,849	\$ 16,889	\$ 40
Sales tax - Town	68,600	99,586	30,986
Sales tax - County shared	686,000	763,431	77,431
Public safety sales - County	10,290	12,143	1,853
Cigarette	420	527	107
Franchise	20,500	19,788	(712)
Highway User	15,000	12,242	(2,758)
Mineral Lease	2,500	3,620	1,120
Road and Bridge	480	661	181
Severance	2,500	5,419	2,919
Specific ownership	2,280	2,582	302
Total Taxes	<u>825,419</u>	<u>936,888</u>	<u>111,469</u>
Other Revenues:			
Fees	38,181	29,250	(8,931)
Fines and penalties	2,500	4,895	2,395
Grants	208,840	133,773	(75,067)
Miscellaneous	6,600	3,096	(3,504)
Motor vehicle registrations	1,000	1,105	105
Total Other Revenues	<u>257,121</u>	<u>172,119</u>	<u>(85,002)</u>
Earnings on Investments	<u>40,000</u>	<u>18,103</u>	<u>(21,897)</u>
Total Revenues	<u><u>\$ 1,122,540</u></u>	<u><u>\$ 1,127,110</u></u>	<u><u>\$ 4,570</u></u>

Town of Collbran, Colorado
Schedule of Expenditures
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>
General Government:			
Personnel services	\$ 145,836	\$ 105,647	\$ 40,189
Supplies	6,500	46,145	(39,645)
Other services and charges	142,502	223,122	(80,620)
Capital outlay	459,400	74,209	385,191
Total General Government	<u>754,238</u>	<u>449,123</u>	<u>305,115</u>
Public Safety:			
Personnel services	174,233	143,140	31,093
Supplies	8,982	5,362	3,620
Other services and charges	33,766	26,830	6,936
Capital outlay	500	-	500
Total Public Safety	<u>217,481</u>	<u>175,332</u>	<u>42,149</u>
Public Works:			
Personnel services	81,570	95,598	(14,028)
Supplies	16,193	21,792	(5,599)
Other services and charges	138,561	20,996	117,565
Capital outlay	65,300	149,887	(84,587)
Total Public Works	<u>301,624</u>	<u>288,273</u>	<u>13,351</u>
Municipal Court:			
Personnel services	2,826	5,859	(3,033)
Other services and charges	4,056	4,460	(404)
Total Municipal Court	<u>6,882</u>	<u>10,319</u>	<u>(3,437)</u>
Culture and Recreation:			
Personnel services	38,477	29,122	9,355
Supplies	12,549	5,922	6,627
Other services and charges	61,454	29,286	32,168
Capital outlay	9,500	6,035	3,465
Total Culture and Recreation	<u>121,980</u>	<u>70,365</u>	<u>51,615</u>
Total Expenditures	<u><u>\$ 1,402,205</u></u>	<u><u>\$ 993,412</u></u>	<u><u>\$ 408,793</u></u>

OTHER SUPPLEMENTARY INFORMATION

Town of Collbran, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
Special Revenue Fund - Capital Projects fund
For the Year Ended December 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>
Revenues:			
Miscellaneous receipts	\$ -	\$ 31,592	\$ 31,592
Expenditures:			
Capital lease payments:			
Principal	-	8,426	\$ (8,426)
Interest	-	833	(833)
Total Expenditures	-	9,259	(9,259)
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ 22,333</u>	<u>\$ 22,333</u>

Town of Collbran, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
Special Revenue Fund - Conservation Trust Fund
For the Year Ended December 31, 2020

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>
Revenues:			
Intergovernmental:			
State lottery	\$ 8,000	\$ 7,332	\$ (668)
Other revenues	-	241	241
Total Revenues	<u>8,000</u>	<u>7,573</u>	<u>(427)</u>
Expenditures:			
Culture and recreation:			
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources(Uses)	<u>\$ 8,000</u>	<u>\$ 7,573</u>	<u>\$ (427)</u>

Town of Collbran, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Proprietary Funds - Water Fund
For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)
Operating Revenues:			
User charges	\$ 216,592	\$ 219,081	\$ 2,489
Other revenues	1,000	101	(899)
Total Operating Revenues	<u>217,592</u>	<u>219,182</u>	<u>1,590</u>
Operating Expenses:			
Salaries and benefits	39,826	40,374	(548)
Professional services	49,330	59,482	(10,152)
Supplies and chemicals	17,000	4,777	12,223
Utilities	12,717	13,067	(350)
Repairs and maintenance	45,000	4,202	40,798
Other	16,647	10,194	6,453
Capital outlay	363,800	95,938	267,862
Total Operating Expenses	<u>544,320</u>	<u>228,034</u>	<u>316,286</u>
Net Income Before Capital Contributions	(326,728)	(8,852)	317,876
Capital Contributions - Grant	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
Net Income (Loss) - Non-GAAP Basis	<u>\$ (176,728)</u>	<u>\$ (8,852)</u>	<u>\$ 167,876</u>
Reconciliation to GAAP Basis:			
Capital outlay		95,938	
Depreciation		(51,687)	
Total GAAP Basis Adjustments		<u>44,251</u>	
Net Income - GAAP basis		<u>\$ 35,399</u>	

Town of Collbran, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Proprietary Funds - Water Fund
For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)
Operating Revenues:			
User charges	\$ 216,592	\$ 219,081	\$ 2,489
Other revenues	1,000	101	(899)
Total Operating Revenues	<u>217,592</u>	<u>219,182</u>	<u>1,590</u>
Operating Expenses:			
Salaries and benefits	39,826	40,374	(548)
Professional services	49,330	59,482	(10,152)
Supplies and chemicals	17,000	4,777	12,223
Utilities	12,717	13,067	(350)
Repairs and maintenance	45,000	4,202	40,798
Other	16,647	10,194	6,453
Capital outlay	363,800	95,938	267,862
Total Operating Expenses	<u>544,320</u>	<u>228,034</u>	<u>316,286</u>
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Net Income (Loss) - Non-GAAP Basis	<u>\$ (176,728)</u>	<u>\$ (8,852)</u>	<u>\$ 167,876</u>
Reconciliation to GAAP Basis:			
Capital outlay		95,938	
Depreciation		(51,687)	
Total GAAP Basis Adjustments		<u>44,251</u>	
Net Income - GAAP basis		<u>\$ 35,399</u>	

Town of Collbran, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Proprietary Funds - Sewer Fund
For the Year Ended December 31, 2020

	Original & Final Budget	Actual	Final Budget Variance Positive (Negative)
Operating Revenues:			
User charges	\$ 134,529	\$ 123,404	\$ (11,125)
Other revenues	500	69	(431)
Total Operating Revenues	<u>135,029</u>	<u>123,473</u>	<u>(11,556)</u>
Operating Expenses:			
Salaries and benefits	39,826	32,971	6,855
Professional services	32,102	31,058	1,044
Supplies and chemicals	5,500	2,423	3,077
Utilities	21,962	26,256	(4,294)
Repairs and maintenance	7,000	11,255	(4,255)
Other	13,774	4,040	9,734
Capital outlay	158,000	-	158,000
Total Operating Expenses	<u>278,164</u>	<u>108,003</u>	<u>170,161</u>
Net Income (Loss) - Before Capital Contributions	(143,135)	15,470	158,605
Capital Contributions			
Capital grant	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Net Income (Loss) - Non-GAAP Basis	<u>(93,135)</u>	15,470	<u>108,605</u>
Reconciliation to GAAP Basis:			
Capital outlay		-	
Depreciation		(42,808)	
Total GAAP Basis Adjustments		<u>(42,808)</u>	
Net Income - GAAP Basis		<u>\$ (27,338)</u>	

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT		City or County: City	
		YEAR ENDING : December 2020	
This Information From The Records Of: Town of Collbran, Colorado		Prepared By: Karla Distel Phone: (970)487-3751	
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE			
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway- User Taxes
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Remainder used for highway purposes			
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	90,417
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	90,684
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	0	b. Snow and ice removal	45,342
3. Other local imposts (from page 2)	299,529	c. Other	
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	45,342
5. Transfers from toll facilities		4. General administration & miscellaneous	0
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	86,433
a. Bonds - Original Issues		6. Total (1 through 5)	312,876
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	299,529	b. Redemption	
B. Private Contributions	0	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	13,347	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	312,876	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	312,876
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)			
	Opening Debt	Amount Issued	Closing Debt
A. Bonds (Total)			0
1. Bonds (Refunding Portion)			
B. Notes (Total)			0
V. LOCAL ROAD AND STREET FUND BALANCE			
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements
	0	312,876	312,876
		D. Ending Balance	E. Reconciliation
		0	0
Notes and Comments:			

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2020	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	661	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	296,286	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	0	f. Charges for Services	
5. Specific Ownership &/or Other	2,582	g. Other Misc. Receipts	0
6. Total (1. through 5.)	298,868	h. Other	0
c. Total (a. + b.)	299,529		
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	12,242	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service (dist to schools)	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	1,105	d. Federal Transit Admin	
d. Other EIAF/LGGF	0	e. U.S. Corps of Engineers	
e. Other Bridge Funds/Enhancement	0	f. Other Federal	0
f. Total (a. through e.)	1,105	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	13,347	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			90,417
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)		0	90,417
+ 1.c.5)		0	90,417
			(Carry forward to page 1)
Notes and Comments:			