

**TOWN OF AKRON, COLORADO**  
**AUDITED FINANCIAL STATEMENTS**  
**December 31, 2019**

TOWN OF AKRON, COLORADO  
TABLE OF CONTENTS

	Page
Independent Auditors' Report	2
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements	
Balance Sheet – Governmental Funds	6
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	8
Statement of Net Position – Proprietary Funds	9
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	10
Statement of Cash Flows – Proprietary Funds	11
Statement of Fiduciary Net Position – Fiduciary Fund	12
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	13
Notes to the Financial Statements	14
Required Supplementary Information	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Schedules of Expenditures – Budget and Actual	28
Cemetery Trust Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	32
Supplementary Information	
Non-major Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	33
Conservation Trust Fund	
Proprietary Funds	
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Non-GAAP	
Water Fund	34
Sewer Fund	35
Fiduciary Funds	
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget and Actual	
Firemen's Pension Fund	36
Required Supplementary Information: Fireman's Pension Fund	37
Local Highway Finance Report	38



**LIITTJOHANN, KAUFFMAN, and PEDERSON**  
Certified Public Accountants

David A. Kauffman, C.P.A., P.C.

Daniel M. Pederson, C.P.A.'s, P.C.

**INDEPENDENT AUDITORS' REPORT**

To the Town Council  
Town of Akron, 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 Akron, Colorado, as of and for the year ended December 31, 2019, 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 Akron, Colorado, as of December 31, 2019, and the respective changes in financial position and cash flows, where applicable, 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 budgetary comparison information as listed in the table of contents 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

### Other Information

The Supplementary Information and Local Highway Finance Report were derived from and related 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 Supplementary Information and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Fort Morgan, Colorado  
September 28, 2020

TOWN OF AKRON, COLORADO  
STATEMENT OF NET POSITION  
As of December 31, 2019

	Governmental Activities	Business-Type Activities	Total Primary Government
<b>Assets</b>			
<b>Current Assets</b>			
Cash	\$ 1,711,399	\$ 511,533	\$ 2,222,932
Cash with County Treasurer	10,582	-	10,582
Receivables			-
General property taxes receivable	528,023	-	528,023
Accounts receivable - services	22,610	48,501	71,111
Accrued interest revenue	652	195	847
Due from other funds	12,103	-	12,103
Other	88,969	-	88,969
Prepaid insurance	12,000	-	12,000
Inventory	7,554	56,950	64,504
<b>Total Current Assets</b>	<u>2,393,892</u>	<u>617,179</u>	<u>3,011,071</u>
<b>Capital Assets</b>			
Land	126,953	184,447	311,400
Property and equipment	10,573,946	5,886,717	16,460,663
Infrastructure	294,531	-	294,531
Less: accumulated depreciation	<u>(7,061,792)</u>	<u>(2,749,815)</u>	<u>(9,811,607)</u>
<b>Total Capital Assets</b>	<u>3,933,638</u>	<u>3,321,349</u>	<u>7,254,987</u>
<b>Total Assets</b>	<u>6,327,530</u>	<u>3,938,528</u>	<u>10,266,058</u>
<b>Deferred Outflows of Resources</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	12,045	7,208	19,253
Due to other funds	12,103	-	12,103
Accrued compensated absences	49,641	34,669	84,310
Payroll taxes payable	2,328	-	2,328
Accrued interest expense	-	5,698	5,698
Notes payable	28,793	46,286	75,079
<b>Total Current Liabilities</b>	<u>104,910</u>	<u>93,861</u>	<u>198,771</u>
<b>Noncurrent Liabilities</b>			
Notes payable	103,451	1,619,666	1,723,117
Customer deposits payable	-	52,722	52,722
<b>Total Noncurrent Liabilities</b>	<u>103,451</u>	<u>1,672,388</u>	<u>1,775,839</u>
<b>Total Liabilities</b>	<u>208,361</u>	<u>1,766,249</u>	<u>1,974,610</u>
<b>Deferred Inflows of Resources</b>			
Deferred property tax revenue	528,023	-	528,023
<b>Total Deferred Inflows of Resources</b>	<u>528,023</u>	<u>-</u>	<u>528,023</u>
<b>Net Position</b>			
Invested in capital assets, net of related debt	3,801,394	1,655,397	5,456,791
Restricted - Emergency Reserve TABOR	42,500	-	42,500
Restricted for debt service	132,244	156,049	288,293
Unrestricted	1,615,008	360,833	1,975,841
<b>Total Net Position</b>	<u>\$ 5,591,146</u>	<u>\$ 2,172,279</u>	<u>\$ 7,763,425</u>

The accompanying notes and independent auditors'  
report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019

Functions/ Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
<b>Governmental Activities</b>							
General government	\$ 260,120	\$ 23,412	\$ -	\$ -	\$ (236,708)		\$ (236,708)
Public safety	270,633	22,655	18,295	-	(229,683)		(229,683)
Public works	561,158	256,885	-	-	(304,273)		(304,273)
Culture and recreation	352,508	29,275	-	-	(323,233)		(323,233)
Miscellaneous	216,201	8,082	-	157,678	(50,441)		(50,441)
<b>Total Governmental Activities</b>	<b>1,660,620</b>	<b>340,309</b>	<b>18,295</b>	<b>157,678</b>	<b>(1,144,338)</b>		<b>(1,144,338)</b>
<b>Business-type Activities</b>							
Water	369,242	361,267	-	-		(7,975)	(7,975)
Sewer	330,511	310,347	-	-		(20,164)	(20,164)
<b>Total Business-type Activities</b>	<b>699,753</b>	<b>671,614</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(28,139)</b>	<b>(28,139)</b>
<b>Total Primary Government</b>	<b>\$ 2,360,373</b>	<b>\$ 1,011,923</b>	<b>\$ 18,295</b>	<b>\$ 157,678</b>	<b>(1,144,338)</b>	<b>(28,139)</b>	<b>(1,172,477)</b>
<b>General Revenues</b>							
<b>Taxes</b>							
Local property					485,163	-	485,163
Specific ownership					73,371	-	73,371
Franchise					70,490	-	70,490
Cigarette					1,441	-	1,441
Sales					479,117	-	479,117
Severance					10,415	-	10,415
Highway users					81,765	-	81,765
Other revenues					762,303	6,285	768,588
Investment earnings					5,642	1,523	7,165
<b>Total General Revenues</b>					<b>1,969,707</b>	<b>7,808</b>	<b>1,977,515</b>
<b>Change in Net Position</b>					<b>825,369</b>	<b>(20,331)</b>	<b>805,038</b>
<b>Net Position at Beginning of Year</b>					<b>4,765,777</b>	<b>2,192,610</b>	<b>6,958,387</b>
<b>Net Position at End of Year</b>					<b>\$ 5,591,146</b>	<b>\$ 2,172,279</b>	<b>\$ 7,763,425</b>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2019

	General Fund	Cemetery Trust Fund	Other Governmental Funds Conservation Trust Fund	Total Governmental Funds
<b>Assets</b>				
Cash	\$ 1,551,218	\$ 105,875	\$ 54,306	\$ 1,711,399
Cash with County Treasurer	10,582	-	-	10,582
<b>Receivables</b>				
General property taxes	528,023	-	-	528,023
Accounts receivable - services	22,610	-	-	22,610
Due from other funds	-	12,103	-	12,103
Accrued interest revenue	595	37	20	652
Other	88,969	-	-	88,969
Inventory	7,554	-	-	7,554
Prepaid insurance	12,000	-	-	12,000
<b>Total Assets</b>	<u>2,221,551</u>	<u>118,015</u>	<u>54,326</u>	<u>2,393,892</u>
<b>Deferred Outflows of Resources</b>				
<b>Total Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 2,221,551</u>	<u>\$ 118,015</u>	<u>\$ 54,326</u>	<u>\$ 2,393,892</u>
<b>Liabilities and Fund Equity</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 11,949	\$ 96	\$ -	\$ 12,045
Due to other funds	12,103	-	-	12,103
Payroll taxes payable	2,328	-	-	2,328
Accrued compensated absences	49,641	-	-	49,641
<b>Total Liabilities</b>	<u>76,021</u>	<u>96</u>	<u>-</u>	<u>76,117</u>
<b>Deferred Inflows of Resources</b>				
Deferred tax revenue	528,023	-	-	528,023
<b>Total Deferred Inflows of Resources</b>	<u>528,023</u>	<u>-</u>	<u>-</u>	<u>528,023</u>
<b>Fund Balance</b>				
Nonspendable - Inventory	7,554	-	-	7,554
Restricted for perpetual care	-	118,016	-	118,016
Restricted for conservation activities	-	-	54,326	54,326
Assigned for emergencies(TABOR)	42,500	-	-	42,500
Unassigned	1,567,453	(97)	-	1,567,356
<b>Total Fund Equity</b>	<u>1,617,507</u>	<u>117,919</u>	<u>54,326</u>	<u>1,789,752</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Equity</b>	<u>\$ 2,221,551</u>	<u>\$ 118,015</u>	<u>\$ 54,326</u>	

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, are not reported in the funds.	3,933,638
Notes payable held for governmental activities are expensed as paid down, and therefore the principal amount is not reported in the funds.	(132,244)
Interest accrued on notes payable accrued for governmental activities is expensed at time of payment and therefore not reported in the funds	<u>-</u>
<b>Net Position of Governmental Activities</b>	<u>\$ 5,591,146</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

	General Fund	Cemetery Trust Fund	Other Governmental Funds	Total Governmental Funds
			Conservation Trust Fund	
Revenues				
Taxes	\$ 1,206,906	\$ -	\$ -	\$ 1,206,906
Licenses	22,692	-	-	22,692
Intergovernmental revenues	175,973	-	19,853	195,826
Fines and forfeits	22,655	-	-	22,655
Charges for services	286,160	720	-	286,880
Interest	4,408	1,008	224	5,640
Miscellaneous	804,929	459	-	805,388
<b>Total Revenues</b>	<b>2,523,723</b>	<b>2,187</b>	<b>20,077</b>	<b>2,545,987</b>
Expenditures				
General government	238,412	-	-	238,412
Public safety	259,856	-	-	259,856
Public works	523,458	6,998	-	530,456
Culture and recreation	280,891	-	-	280,891
Miscellaneous	29,489	-	-	29,489
Capital outlay	301,243	3,900	-	305,143
Debt service	42,827	-	-	42,827
<b>Total Expenditures</b>	<b>1,676,176</b>	<b>10,898</b>	<b>-</b>	<b>1,687,074</b>
Expenditures in Excess of Revenues	847,547	(8,711)	20,077	858,913
Net Change in Fund Balances	847,547	(8,711)	20,077	858,913
Fund Balance at Beginning of Year	769,960	126,630	34,249	930,839
Fund Balance at End of Year	<u>\$ 1,617,507</u>	<u>\$ 117,919</u>	<u>\$ 54,326</u>	<u>\$ 1,789,752</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net change in fund balances of governmental funds	\$ 858,913
---	------------

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation expense in the period.

	Depreciation expense	\$ (282,110)	
	Capital outlays	<u>299,106</u>	16,996

Notes payable obtained are revenues in the governmental funds, but the receipt creates long-term liabilities in the statement of net position. This is the amount of debt obtained.	(60,000)
---	----------

Repayments of notes payable are expenditures in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position. This is the amount of debt repayments.	9,460
--	-------

Change in net position of governmental activities	<u>\$ 825,369</u>
---	-------------------

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
As of December 31, 2019

	Business-type Activities - Enterprise Funds		Total
	Water Fund	Sewer Fund	
<b>Assets</b>			
Current Assets			
Cash	\$ 181,614	\$ 329,919	\$ 511,533
Accounts receivable	21,937	26,564	48,501
Accrued interest revenue	69	126	195
Inventory	48,310	8,640	56,950
Total Current Assets	<u>251,930</u>	<u>365,249</u>	<u>617,179</u>
Property, Plant and Equipment			
Land	12,855	171,592	184,447
Property and equipment	2,192,646	3,694,071	5,886,717
Less: accumulated depreciation	(1,403,780)	(1,346,035)	(2,749,815)
Total Property, Plant, and Equipment - Net	<u>801,721</u>	<u>2,519,628</u>	<u>3,321,349</u>
Total Assets	<u>1,053,651</u>	<u>2,884,877</u>	<u>3,938,528</u>
<b>Liabilities</b>			
Current Liabilities			
Accounts Payable	4,972	2,236	7,208
Accrued compensated absences	19,032	15,637	34,669
Accrued interest expense	1,654	4,044	5,698
Notes payable	14,659	31,627	46,286
Total Current Liabilities	<u>40,317</u>	<u>53,544</u>	<u>93,861</u>
Noncurrent Liabilities			
Notes payable	117,626	1,502,040	1,619,666
Customer deposits payable	52,722	-	52,722
Total Noncurrent Liabilities	<u>170,348</u>	<u>1,502,040</u>	<u>1,672,388</u>
Total Liabilities	<u>210,665</u>	<u>1,555,584</u>	<u>1,766,249</u>
<b>Net Position</b>			
Invested in capital assets, net of related debt	669,436	985,961	1,655,397
Restricted for debt service	34,278	121,771	156,049
Unrestricted	139,272	221,561	360,833
Total Net Position	<u>\$ 842,986</u>	<u>\$ 1,329,293</u>	<u>\$ 2,172,279</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS

For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds		Total
	Water Fund	Sewer Fund	
Operating Revenue			
Water sales	\$ 359,669	\$ -	\$ 359,669
Sewer charges	-	310,347	310,347
Grants and loans	-	-	-
Delinquent fees	855	-	855
Miscellaneous	743	-	743
	<u>361,267</u>	<u>310,347</u>	<u>671,614</u>
Total Operating Revenue			
Operating Expense			
Salaries	57,741	56,822	114,563
Administration salaries	44,949	-	44,949
Employee benefits	30,518	15,554	46,072
Payroll taxes	7,856	4,345	12,201
Insurance and bonds	8,644	4,773	13,417
Operating expense and supplies	38,186	56,262	94,448
Repairs and maintenance	7,350	1,768	9,118
Office expense	3,933	2,068	6,001
Power purchases	82,394	-	82,394
Utilities	1,080	23,512	24,592
Deductible reserve	-	-	-
Contingency	-	-	-
Capital outlay	4,013	-	4,013
Miscellaneous	-	-	-
Depreciation	75,881	97,383	173,264
	<u>362,545</u>	<u>262,487</u>	<u>625,032</u>
Total Operating Expense			
Operating Income	(1,278)	47,860	46,582
Non-Operating Revenue (Expense)			
Interest on investments	520	1,003	1,523
Farming - income	-	6,285	6,285
Interest expense	(6,697)	(68,024)	(74,721)
	<u>(6,177)</u>	<u>(60,736)</u>	<u>(66,913)</u>
Total Non-Operating Revenue (Expense)			
Change in Net Position	(7,455)	(12,876)	(20,331)
Net Position at Beginning of Year	<u>850,441</u>	<u>1,342,169</u>	<u>2,192,610</u>
Net Position at End of Year	<u>\$ 842,986</u>	<u>\$ 1,329,293</u>	<u>\$ 2,172,279</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds		Total
	Water Fund	Sewer Fund	
Cash flows from operating activities			
Cash receipts from customers	\$ 361,465	\$ 310,788	\$ 672,253
Customer deposits received	852	-	852
Cash payments to suppliers for goods and services	(145,600)	(88,383)	(233,983)
Cash payments to employees for services	(138,860)	(76,859)	(215,719)
Net cash from operating activities	<u>77,857</u>	<u>145,546</u>	<u>223,403</u>
Cash flows from noncapital financing activities:	-	-	-
Cash flows from capital and related financing activities:			
Additions to capital assets	(37,618)	(27,311)	(64,929)
Principal paid on debt	(15,235)	(30,281)	(45,516)
Interest paid on debt	(7,290)	(68,104)	(75,394)
Net cash from capital and related financing activities	<u>(60,143)</u>	<u>(125,696)</u>	<u>(185,839)</u>
Cash flows from investing activities:			
Payments received from (paid to) other funds	-	-	-
Farm income - net	-	6,285	6,285
Interest and dividends received on investments	669	1,282	1,951
Net cash from investing activities	<u>669</u>	<u>7,567</u>	<u>8,236</u>
Net increase (decrease) in cash and cash equivalents	18,383	27,417	45,800
Cash and cash equivalents, beginning of year	<u>163,231</u>	<u>302,502</u>	<u>465,733</u>
Cash and cash equivalents, end of year	<u>\$ 181,614</u>	<u>\$ 329,919</u>	<u>\$ 511,533</u>
Cash flows from operating activities:			
Operating income	(1,278)	47,860	46,582
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	75,881	97,383	173,264
Change in assets and liabilities:			
(Increase) Decrease in accounts receivable	198	441	639
(Increase) Decrease in inventory	-	-	-
Increase (Decrease) in accounts payable	-	-	-
Increase (Decrease) in accrued compensated absences	2,204	(138)	2,066
Increase (Decrease) in customer deposits	852	-	852
Total Adjustments	<u>79,135</u>	<u>97,686</u>	<u>176,821</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 77,857</u>	<u>\$ 145,546</u>	<u>\$ 223,403</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
As of December 31, 2019

	Firemen's Pension Fund
Assets	
Current Assets	
Cash	\$ 187,614
Cash with County Treasurer	-
Property taxes receivable	20,844
Accrued interest revenue	72
Due from other funds	-
Total Assets	208,530
Deferred Outflows of Resources	
Pension expense	8,686
Total Deferred Outflows of Resources	8,686
Total Assets and deferred outflows	217,216
Liabilities	
Current Liabilities	
Accounts Payable	-
Net Pension Liability - Current	\$ 51,840
Total Current Liabilities	51,840
Long Term Liabilities	
Net Pension Liability	220,336
Total Liabilities	272,176
Deferred Inflows of Resources	
Deferred tax revenue	20,844
Total Deferred Outflows of Resources	20,844
Total Liabilities and deferred inflows	293,020
Net Position	
Held in trust for pension benefits	\$ (75,804)

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
For the Year Ended December 31, 2019

	Firemen's Pension Fund
Additions	
Contributions	
Property taxes	\$ 19,412
Intergovernmental Contributions	15,898
	21,389
Total Contributions	56,699
Investment earnings	
Interest	562
	562
Total Additions	57,261
Deductions	
Pension expense	49,680
	49,680
Change in net position	7,581
Net Position at Beginning of Year	(83,385)
Net Position at End of Year	\$ (75,804)

The accompanying notes and independent auditors'  
report should be read with these financial statements.

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Akron, Colorado (the “Town”) 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 Town’s financial statements.

A. Reporting Entity

As required by GAAP, these financial statements present the Town (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 the relationship with the primary government are such that exclusion would cause the Town’s financial statements to be misleading or incomplete. Based on the foregoing criteria, there are no component units included in the accompanying financial statements.

B. Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial levels. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The government-wide statements do not include the fiduciary fund or components that are fiduciary funds. These have separate statements showing the financial information.

Government-wide financial statements report information about the reporting government as a whole. For the most part, the effect of inter-fund activity has been removed from these statements. These statements focus on the sustainability of the Town as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or business-type activity. 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 business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business-type activity. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified as governmental, proprietary, and fiduciary. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column in the financial section of the basic financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement 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 a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. The Town has collected nearly 100% of all property taxes at December 31. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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 collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period 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 Town.

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 and expenses of the Town's enterprise funds are charges to customers for 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.

If both restricted and unrestricted resources are available to use for the same purpose, it is the Town's policy to use restricted resources first, and then unrestricted resources as they are needed.

The Town reports the following major funds:

General Fund

This is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

Cemetery Trust Fund

This fund is established to accumulate funds for the perpetual care and maintenance of the Town's cemetery grounds. All investment earnings are recorded in the Cemetery Trust Fund. The Cemetery Trust Fund is a permanent fund.

The Town reports the following major proprietary funds:

Water Fund

This accounts for the water service charges which are used to finance the water system operating expenses.

Sewer Fund

This accounts for the sewer service charges which are used to finance the sanitary sewer system operating expenses.

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the Town reports the following fund types:

Special Revenue Fund

The Conservation Trust Fund provides for an accounting of those funds received through the State of Colorado Lottery Fund Program. The State requires that these funds be expended in the areas of parks and recreation development.

Firemen's Pension Fund

The Town has established the Volunteer Firemen's Pension Plan to provide pension and other benefits to the firefighters and their dependents (Note 7).

D. Budgets

Annually appropriated budgets were adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. All governmental funds and proprietary funds are budgeted on the modified accrual basis of accounting. All appropriations lapse at year end.

In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Colorado statutes provide the following timetable, which is followed in the adoption of the 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.
5. Liens are placed on property for which taxes are delinquent in November of each year.

The actual results of operations are presented in accordance with generally accepted accounting principles, which differ in certain respects from those practices used in the preparation of the 2019 budget. For purposes of preparing the Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual, the actual results of operations have been adjusted to a basis consistent with the Town's budgeted revenues and expenditures.

E. Cash and Investments

For purposes of the statement of cash flows, the enterprise funds consider cash on hand, demand deposits, and short-term investments with original maturities of three months or less when purchased to be cash and cash equivalents.

F. Accounts Receivable – Allowance for Doubtful Accounts

Based upon a review of existing accounts receivable and prior collection experience, the Town has determined all accounts to be collectible and no allowance for doubtful accounts has been provided for 2019.

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inter-fund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term inter-fund loans are classified as “due to/from other funds.” All short-term inter-fund receivables and payables at year end are planned to be eliminated in the subsequent year. Long-term inter-fund loans are classified as “inter-fund note receivable/payable.” Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

H. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased. Fund balance has been reserved by an amount corresponding to the value of inventory held by the General Fund, \$7,554.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2019 are recorded as prepaid items for enterprise funds.

J. Encumbrances

The Town does not utilize encumbrance accounting.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, street lights, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of two years. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation.

The costs of normal maintenance and repairs that do not add to the value or capacity of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized for 2019.

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. A composite depreciation rate is used for infrastructure assets. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Improvements other than Buildings	15-50 years
Water Distribution System	10-50 years
Sewer Collection System	10-50 years
Machinery and Equipment	5-20 years
Vehicles	5-15 years
Infrastructure	20-80 years

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences

Accumulated vacation leave is reported as a liability for all leave related to past employee service for which payment to the employee is considered probable. The leave liability includes any non-vested leave earned by employees that is considered likely to vest.

A liability for unused sick leave benefits is accrued only if it is probable that the employee will be compensated for the benefits through cash payments upon death or retirement. The term retirement includes age 65 or after 20 years of employment. The sick leave liability is estimated based on the Town's past experience in making termination payments for sick leave and its termination payment policy (termination payment method).

Accumulated vacation leave and termination payments for sick leave that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay the benefit. Accumulated vacation leave and sick leave termination payments for proprietary fund types are recorded as fund liabilities.

M. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Fund Equity

As of December 31, 2019, fund equity balances of the governmental funds are classified as follows:

*Non-spendable* - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

*Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* - amounts that can only be used for specific purposes determined by a formal action of the Board of Directors.

*Assigned* - amounts intended to be used for specific purposes that are neither restricted nor committed.

*Unassigned* - all other spendable amounts.

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Inter-fund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditure/ expense initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers are reported as operating transfers.

P. Net Position

Net position comprises the various net earnings from operating income, non-operating revenues and expenses, and capital contributions. Net position is classified in the following three components:

*Invested in capital assets, net of related debt* – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

*Restricted* – This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provision or enabling legislation.

*Unrestricted* – This component of net position consists of net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Q. 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.

R. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditures) until then. The Town does not have any deferred outflows.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one item that qualifies for reporting in this category: Deferred property tax assessment revenue which is based on current year land values but will not be recognized as revenue until the following year.

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 2 – CASH AND INVESTMENTS

A. Deposits

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposits might not be recovered. However, the Colorado Public Deposit Protection Act (PDPA) requires that deposits of all units of local governments be held at eligible public depositories, whose 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 of 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 aggregate uninsured deposits.

Federal Deposit Insurance Corporation (FDIC) coverage totaled \$250,000 per institution. The balance held over this limit in any of the institutions falls under the provisions of the PDPA. At December 31, 2019, the carrying amount of the Town’s deposits of the Governmental Activities totaled \$1,711,399, held in several institutions. The funds were covered by the PDPA. The carrying amount of the Town’s deposits of the Business-type Activities totaled \$511,533. \$490,060 of those funds were covered by FDIC the remainder was covered by the PDPA. The carrying amount of the Town’s deposits of the Fiduciary Funds totaled \$182,966, all covered by the FDIC. The Town has not formally adopted policies regarding interest rate risk or credit risk.

B. Investments

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Colorado Revised Statutes (C.R.S.) 24-75-601 limits investment maturities to five years or less. All deposits are reported at cost plus accrued interest. All the Town’s certificates of deposit mature within one year.

NOTE 3 – FIXED ASSETS

Capital asset activities for the year ended December 31, 2019 were as follows:

	Balance December 31, 2018	Additions	Deletions and Adjustments	Balance December 31, 2019
<u>Governmental Activities</u>				
Non-depreciable Assets:				
Land	\$ 126,953	\$ -	\$ -	\$ 126,953
Depreciable Assets:				
Property and Equipment	10,371,765	299,106	(96,925)	10,573,946
Infrastructure	294,531	-	-	294,531
Less: Accumulated Depreciation	(6,876,608)	(282,109)	96,925	(7,061,792)
Net Depreciable Capital Assets	3,789,688	16,997	-	3,806,685
Total Assets – Governmental Activities	\$ 3,916,641	\$ 16,997	\$ -	\$ 3,933,638
<u>Business-type Activities</u>				
Non-depreciable Assets:				
Land	\$ 184,447	\$ -	\$ -	\$ 184,447
Depreciable Assets:				
Property, Equipment and Systems	5,821,788	64,929	-	5,886,717
Less: Accumulated Depreciation	(2,576,552)	(173,263)	-	(2,749,815)
Net Depreciable Capital Assets	3,245,236	(108,334)	-	3,136,902
Total Assets – Business-type Activities	\$ 3,429,683	\$ (108,334)	\$ -	\$ 3,321,349

TOWN OF AKRON, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

NOTE 3 – FIXED ASSETS (continued)

Depreciation expense was charged to functions/ programs of the Town as follows:

General Government	\$ 10,781
Public Safety	10,777
Public Works	37,728
Culture and Recreation	36,110
Airport	186,713
	<u>\$ 282,109</u>

NOTE 4 – NOTES PAYABLE

*Business-type Activity*

Well Project

On March 17, 2003 the Colorado Water conservation Board awarded a loan to the Town in the amount of \$349,799. The funds were to be used for the construction of the Hoyer and Thomas/Kusel wells and pipeline project. The loan is to be repaid over 30 years at an interest rate of 3.75%. The annual payments are in the amount of \$19,619.39. The loan contract states the first payment is due one year after the project has been completed. The project was completed September 1, 2006. Payments on the note are due as follows:

<u>Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
2020	3.75%	\$ 14,658.70	\$ 4,960.69	\$ 19,619.39
2021	3.75%	15,208.40	4,410.99	19,619.39
2022	3.75%	15,778.72	3,840.67	19,619.39
2023	3.75%	16,370.42	3,248.97	19,619.39
2024	3.75%	16,984.31	2,635.08	19,619.39
2025-2027	3.75%	53,284.48	3,987.34	57,271.82
		<u>\$ 132,285.03</u>	<u>\$ 23,083.74</u>	<u>\$ 155,368.77</u>

A component of the note agreement requires the Town to establish a reserve of revenue amounts pertaining to note repayment. In addition, the note agreement requires the Town to establish a debt service reserve account. The debt service reserve amount will be equal to one note payment with one-tenth of the payment amount deposited on the due date of the first payment and annually thereafter for the first ten years. The Town has earmarked the appropriate amounts in the water fund budget for compliance with the rate covenants and the debt service requirements. The amount of the reserve at December 31, 2019 is \$19,619. The current payment of \$19,619 has also been reserved as of December 31, 2019.

Waste Water Treatment Facility

On September 4, 2002, the United States Department of Agriculture (USDA), Office of Rural Development awarded a loan of \$1,850,000 to the Town for the purpose of constructing a new waste water treatment plant.

On October 22, 2002, the Town approved an interim financing agreement with the Bank of Colorado for \$1,850,000. The interim note agreement had an interest rate of 5% and a maturity date of November 8, 2006. As of April 19, 2006, the Town received principal advances of \$1,582,255 on the interim financing note. The interim loan was repaid June 9, 2006 through the issuance of the permanent loan through the USDA.

The note agreement requires the Town to establish a debt service reserve account. The debt service reserve amount will be equal to one note payment with one-tenth of the payment amount deposited on the due date of the first payment and annually thereafter for the first ten years. The Town has earmarked the appropriate amounts in the water fund budget for compliance with the rate covenants and the debt service requirements. The amount of the reserve at December 31, 2019 is \$100,160. The current payment of \$90,144 has also been reserved as of December 31, 2019.

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 4 – NOTES PAYABLE (CONTINUED)

Waste Water Treatment Facility (Continued)

The USDA loan is due in semi-annual installments of \$49,192, and payments are due as follows:

<u>Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
2020	4.375%	31,627.36	66,756.64	98,384.00
2021	4.375%	33,026.20	65,357.80	98,384.00
2022	4.375%	34,486.90	63,897.10	98,384.00
2023	4.375%	36,012.20	62,371.80	98,384.00
2024	4.375%	37,604.97	60,779.03	98,384.00
2025-2029	4.375%	214,493.93	277,426.07	491,920.00
2030-2034	4.375%	266,313.23	225,606.77	491,920.00
2035-2039	4.375%	330,651.48	161,268.52	491,920.00
2040-2044	4.375%	410,533.13	81,386.87	491,920.00
2045-2046	4.375%	138,918.00	6,067.48	144,985.48
		<u>\$ 1,533,667.40</u>	<u>\$ 1,070,918.08</u>	<u>\$ 2,604,585.48</u>

Electronic Water Meters

In 2019, the Town obtained a loan from Bank of Colorado to partially fund a 2019 Freightliner Trash Truck. The total purchase price was \$124,569 of which \$60,000 was financed. The loan is to be repaid over 5 years at an interest rate of 3.75%. The annual payments are \$13,383.11, with the first payment due October 1, 2020. Payments on the note are due as follows:

<u>Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
2020	3.75%	\$ 11,133.11	\$ 2,250.00	\$ 13,383.11
2021	3.75%	11,550.60	1,832.51	13,383.11
2022	3.75%	11,983.75	1,399.36	13,383.11
2023	3.75%	12,433.14	949.97	13,383.11
2024	3.75%	12,899.40	483.73	13,383.13
		<u>\$ 60,000.00</u>	<u>\$ 6,915.57</u>	<u>\$ 66,915.57</u>

The current payment of \$13,383 has also been reserved as of December 31, 2020.

NOTE 5 – CHANGES IN LONG-TERM DEBT

The following is a summary of debt obligations and activity for those obligations of the Town for the year ending December 31, 2019:

	<u>Balance 12/31/18</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/19</u>	<u>Due in one year</u>
Governmental Activities					
Compensated Absences	\$ 44,347	\$ 5,294	\$ -	\$ 49,641	\$ 49,641
Note Payable – Trash Truck	-	60,000	-	60,000	11,133
Note Payable – Pool Project	81,702	-	9,458	72,244	9,660
Total Governmental	<u>126,049</u>	<u>65,294</u>	<u>9,458</u>	<u>181,885</u>	
Business-type Activities					
Compensated Absences	32,603	2,066	-	34,669	34,669
Note Payable – Water Project	146,414	-	14,129	132,285	14,659
Note Payable – Water Meters	1,106	-	1,106	-	-
Note Payable – Sewer Expansion Project	1,592,960	-	59,293	1,533,667	31,627
Total Business-type	<u>1,773,083</u>	<u>2,066</u>	<u>74,528</u>	<u>1,700,621</u>	
	<u>\$ 1,899,132</u>	<u>\$ 67,360</u>	<u>\$ 83,986</u>	<u>\$ 1,882,506</u>	

Interest expense of \$2,484 has been included in the direct expenses of culture and recreation on the government-wide statement of activities.

TOWN OF AKRON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

NOTE 6 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for airport liability and surety bond with risk of loss transferring to the carriers. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past four fiscal years, and there were no material changes in coverage for 2019. All other risks have been provided for by the following risk pool.

Colorado Intergovernmental Risk Sharing Agency (herewith referred to as “CIRSA”) – CIRSA is a separate legal entity established by member municipalities pursuant to the provision of CRS and the Colorado Constitution.

The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers.

The Town recognizes as an expense/expenditure the amounts paid to CIRSA annually for these coverages. Contingent liability claims for the coverage have not been recognized to date after reviewing claims history and the remoteness of potential loss in excess of actual contributions by the Town.

NOTE 7 – PENSION FUNDS

Firemen’s Pension Fund

**Summary of Significant Accounting Policies**

*Pensions.* Town of Akron administers a single-employer defined benefit pension fund for the local volunteer fire district. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the Fireman’s Pension Program have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the Pension Plan**

*Plan description.* The Firemen’s Pension Program is a single-employer defined benefit plan administered by a Board of Directors appointed by the Town Council. The Program provides a monthly retirement benefit to retired volunteer firemen who have attained age 50 and who have 20 years of continuous service.

*Benefits provided as of December 31, 2019.* Currently, the monthly benefit is \$180. Benefits paid during 2019 amounted to \$59,680. Details of this plan are included within the fiduciary fund types of this audit report.

*Contributions*

The Program is funded by a property tax levy set annually by the Town Council and special funding situation from the Akron Rural Fire District and the State of Colorado (the State). As set by state statute, the Town may contribute an amount based on ½ mill on the assessed valuation of the Town. The State makes an annual contribution to the Program as set by state statute. The contribution by the State toward fire pension funds has been established by the legislature and allocated to all fire pension funds in the State, based upon the amounts contributed by the municipality. The State currently matches 90% of all amounts levied, appropriated and contributed by the Town up to a maximum of ½ mill on the assessed valuation.

The Rural Fire District and State contributions for 2019 were \$19,390 and \$15,898, respectively. The Program consists of volunteer firemen, and therefore there is not a required contribution from plan members.

TOWN OF AKRON, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

NOTE 7 – PENSION FUNDS (continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The Town of Akron is responsible for 35% of the Net Pension Liability due to the special funding situation from the Akron Rural Fire District and the State of Colorado. The Akron Rural Fire District is responsible for 35% and the State of Colorado 30% based on the contribution statute.

The Fireman’s Pension Fund reported a liability of \$272,176 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019, and the total pension liability of \$777,646 used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019.

For the year ended December 31, 2019, the Fireman’s Pension Fund recognized pension expense of \$49,680. At December 31, 2019 the Fireman’s Pension Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual Experience	\$ 8,686	\$ -
Totals	\$ 8,686	\$ -

Amounts reported as deferred outflows of resources are not expected to be recognized as pension expense within the next 5 years.

*Actuarial assumptions.* The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	1.20 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	1.20 percent
Discount rate	1.20 percent

The long-term expected rate of return on plan assets is estimated as constant based on current investments. The current plan assets totaling \$187,614 are invested in short term certificates of deposit with an average yield of 1.2%

*Discount rate.* The discount rate used to measure the total pension liability was 1.20 percent. This was chosen as a conservative rate based on rate of return of plan assets.

TOWN OF AKRON, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

*Sensitivity of the Fireman's Pension Fund proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 1.20 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (.20 percent) or 1-percentage-point higher (2.20 percent) than the current rate:

	1% Decrease (.20%)	Current Discount Rate (1.20%)	1% Increase (2.20%)
Proportionate share of the net pension liability	\$ 420,336	\$ 272,176	\$ 153,143

NOTE 8 – RETIREMENT PLAN

The Town's employees participate in the statewide Colorado County Officials and Employees Retirement Association (the Association) Retirement Plan (the Plan), a multiple-employer defined contribution plan. The Town's payroll for the employees covered by the Plan for the year ended December 31, 2019 was \$499,532.

Employer contributions to the Plan are a minimum of 3% of compensation. Employer contributions match employee contribution and are funded on a current basis. Employees may make additional voluntary contributions, not to exceed certain statutory limits. In 2011, a Section 157 Roth IRA option was added to the plan, under which employees may make voluntary contributions not to exceed certain statutory limits. In 2019, both the Town and the covered employees made the required 3% contributions, which amounted to \$12,375, and \$12,375, respectively. Additionally, \$42,253 in voluntary contributions were made by the employees to the Roth and regular portions of the plan.

Participants vest in employer contributions and in the earnings, losses, and changes in fair market value of plan assets at a rate of 10% per year, 20% per year, or immediately, depending on the vesting schedule adopted by the member entity. Participants are immediately vested 100% in their own contributions and earnings. Any employer contribution forfeited by a participant due to termination of employment prior to becoming fully vested is returned to the Town.

The Association may at any time elect to terminate the Plan. In the event of such termination, each participant shall become 100% vested.

Net earnings or losses are allocated quarterly to Plan participants. The allocation is based on each participant's balance as of the beginning of that quarter. Participants receiving benefit payments upon retirement or termination are allocated earnings through the date of the distribution.

Benefit payments are made as of the effective date of each participant's retirement or termination. At retirement, each participant has the option of receiving their vested balance in cash or having the Association place the funds in a bank account maintained under the joint control of the Associations and the retiring individual.

NOTE 9 – CONTINGENCIES

Grants

The Town receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.

TOWN OF AKRON, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

NOTE 10 – FUND BALANCE/ RETAINED EARNINGS APPROPRIATIONS AND RESERVES

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, all local governments, and special districts.

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

In November 1995, the Town’s electorate approved a resolution to permit the Town to increase revenues and spending by the full amount from interest on invested funds, existing sales and use tax rates, non-federal grants, building permit fees, existing user fees and charges, and severance taxes which are received or receivable in the current fiscal year or in any future fiscal year with the stipulation that all such receipts shall be spent for fire protection, police protection, snow removal, street maintenance, and construction, town lawns, trees, parks and recreation, and other basic town services and lawful municipal purposes.

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

The Town Council has made the following fund balance assignments as a result of Article X, Section 20 of the Colorado Constitution (TABOR):

*Emergency Reserve* – The Article requires an emergency reserve be set aside for 2020 in the amount of 3% or more of its fiscal year spending. At December 31, 2019, the Council had reserved the following for emergencies:

General Fund	\$ 42,500
--------------	-----------

The management of the Town believes it is in complete compliance with TABOR.

*Restricted for Debt Service* – The town Council has restricted funds for the purpose of debt repayment as follows:

General Fund	\$ 132,244
Water Fund	34,278
Sewer Fund	121,771

Ending fund balances/ retained earnings have been appropriated or assigned through adoption of the 2020 budget in order to provide for the anticipated excess of expenditures over revenue during the 2019 budget year. For governmental fund types these amounts are shown as assigned fund balances. The appropriations in excess of revenues for the 2020 budget year are as follows:

Fund	December 31, 2019 Appropriations
Governmental Fund Types	
General Fund	\$ 130,548
Cemetery Trust Fund	\$ 9,607
Conservation Trust Fund	\$ 8,330
Business-type Activity	
Water Fund	\$ 36,173
Sewer Fund	\$ 154,983

TOWN OF AKRON, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

NOTE 11 – INTERFUND RECEIVABLES AND PAYABLES

At December 31, 2019, amount due from and to other funds are as follows:

	Due From	Due To
General Fund	\$ -0-	\$ 12,103
Cemetery Trust Fund	12,103	-0-
	\$ 12,103	\$ 12,103

During 2016 funds were loaned from the Cemetery Trust fund to the General fund to help refurbish the swimming pool. The loan is due to be paid back over 5 years bearing a 3.5% interest rate.

NOTE 12 – SUBSEQUENT EVENTS

The Town has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued. No events were noted that would require adjustment to or disclosure in the financial statements.

TOWN OF AKRON, COLORADO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes			
Current property (net of Treasurer's fees)	\$ 443,754	\$ 435,946	\$ (7,808)
Senior center property	12,734	12,510	(224)
Recreation program property	37,364	36,707	(657)
Specific ownership	60,000	73,371	13,371
General sales and use	376,000	479,117	103,117
Cigarette	1,200	1,441	241
Franchise	67,000	70,490	3,490
Licenses and Permits			
License fees	8,000	8,006	6
Liquor licenses	2,825	5,644	2,819
Building permits	6,000	6,571	571
Animal licenses	950	834	(116)
Other licenses	1,625	1,637	12
Intergovernmental			
County - Road and Bridge	5,000	5,144	144
Severance	6,500	10,415	3,915
Highway users'	67,000	81,765	14,765
Rural Fire District	22,000	18,295	(3,705)
State grants	422,033	15,308	(406,725)
Federal grants	260,009	142,370	(117,639)
Fines and Forfeits	28,000	22,655	(5,345)
Charges for services			
Sanitation fees	245,000	248,114	3,114
Recycling fees	1,000	1,460	460
Swimming pool/ Recreation fees	13,500	29,275	15,775
Late fees	7,000	7,311	311
Interest	1,000	4,408	3,408
Miscellaneous			
Rents	2,500	2,964	464
Refunds	13,500	30,565	17,065
Sale of assets	5,000	18,856	13,856
Miscellaneous	27,200	752,544	725,344
Total Revenues	<u>2,143,694</u>	<u>2,523,723</u>	<u>380,029</u>
<b>Expenditures</b>			
General government	250,610	238,412	12,198
Public safety	260,272	259,856	416
Public works	576,120	523,458	52,662
Culture and recreation	272,294	280,891	(8,597)
Miscellaneous	36,130	29,489	6,641
Capital outlay	915,272	301,243	614,029
Debt service	51,124	42,827	8,297
Total Expenditures	<u>2,361,822</u>	<u>1,676,176</u>	<u>685,646</u>
Expenditures in Excess of Revenues	<u>(218,128)</u>	<u>847,547</u>	<u>1,065,675</u>
Net Change in Fund Balance	<u>\$ (218,128)</u>	<u>847,547</u>	<u>\$ 1,065,675</u>
Net Position at Beginning of Year		<u>821,163</u>	
Net Position at End of Year		<u>\$ 1,668,710</u>	

TOWN OF AKRON, COLORADO  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
General Government			
Administration			
Salaries	\$ 100,100	\$ 98,051	\$ 2,049
Benefits	26,700	32,241	(5,541)
Payroll taxes	6,900	7,501	(601)
Publishing and legal	25,000	21,765	3,235
Community development	2,000	1,000	1,000
Dues	2,500	2,613	(113)
Office expense	12,000	10,590	1,410
Audit	8,000	8,500	(500)
Liquor license transfer	3,640	2,757	883
Election expense	500	25	475
Insurance and bonds	6,270	12,009	(5,739)
Municipal court	17,000	16,432	568
Miscellaneous	7,000	7,116	(116)
Building inspections	8,000	4,019	3,981
Vision and dental	24,000	13,793	10,207
Insurance deductible	1,000	-	1,000
	<hr/>	<hr/>	<hr/>
Subtotal	250,610	238,412	12,198
Capital Outlay - Administration	-	-	-
	<hr/>	<hr/>	<hr/>
Total General Government	\$ 250,610	\$ 238,412	\$ 12,198
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Public Safety			
Police			
Police contract	\$ 211,152	\$ 216,432	\$ (5,280)
Dog pound	3,500	3,119	381
Fire Department			
Operating supplies	7,500	9,072	(1,572)
Vehicle expense	12,000	10,412	1,588
Equipment	10,000	7,240	2,760
Utilities	6,200	4,735	1,465
Insurance and bonds	7,920	7,172	748
Office expense	1,500	1,174	326
Miscellaneous	500	500	-
	<hr/>	<hr/>	<hr/>
Subtotal	260,272	259,856	416
Capital Outlay - Fire	6,000	-	6,000
Debt Service - Fire	-	-	-
	<hr/>	<hr/>	<hr/>
Total Public Safety	\$ 266,272	\$ 259,856	\$ 6,416
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TOWN OF AKRON, COLORADO  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Public Works			
Buildings			
Operating expense	\$ 3,600	\$ 9,385	\$ (5,785)
Insurance and bonds	2,530	2,211	319
Utilities	4,700	4,859	(159)
Sanitation Department			
Salaries	126,500	102,935	23,565
Benefits	51,900	32,209	19,691
Payroll taxes	10,000	7,874	2,126
Operating expense	36,000	44,527	(8,527)
Recycling costs	3,000	1,485	1,515
Vehicle expense	12,000	16,876	(4,876)
Insurance and bonds	12,540	11,396	1,144
Utilities	1,300	1,080	220
Office expense	1,600	1,233	367
Street Department			
Salaries	95,500	95,651	(151)
Benefits	22,400	21,810	590
Payroll taxes	7,500	7,317	183
Road repairs and maintenance	100,000	85,632	14,368
Utilities and street lighting	46,200	44,158	2,042
Operating expense	14,000	12,420	1,580
Vehicle expense	16,000	12,454	3,546
Insurance and bonds	8,250	7,601	649
Office expense	600	345	255
Subtotal	576,120	523,458	52,662
Capital outlay - Building Inspections	5,000	-	5,000
Capital outlay - Sanitation	160,000	124,569	35,431
Capital outlay - Street	15,000	8,000	7,000
Debt Service - Sanitation	-	-	-
Debt Service - Street	-	-	-
Total Public Works	<u>\$ 756,120</u>	<u>\$ 656,027</u>	<u>\$ 100,093</u>

TOWN OF AKRON, COLORADO  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
<b>Culture and Recreation</b>			
Parks			
Salaries	53,500	53,317	183
Benefits	17,500	19,844	(2,344)
Payroll taxes	4,500	4,079	421
Operating expense	27,000	38,276	(11,276)
Vehicle expense	4,000	4,451	(451)
Insurance and bonds	3,080	3,257	(177)
Utilities	2,400	2,390	10
Telephone and postage	500	374	126
Recreation			
Salaries	19,150	14,671	4,479
Benefits	57	44	13
Payroll taxes	1,478	1,122	356
Insurance and bonds	1,319	1,085	234
Operating expense	5,550	8,216	(2,666)
Swimming Pool			
Salaries	27,500	30,729	(3,229)
Benefits	100	92	8
Payroll taxes	2,500	2,351	149
Operating expense	13,000	19,056	(6,056)
Utilities	12,000	11,132	868
Insurance and bonds	2,300	2,258	42
Library			
Salaries	43,600	42,717	883
Benefits	8,000	1,497	6,503
Payroll taxes	3,500	3,268	232
Operating expense	18,000	15,068	2,932
Insurance and bonds	1,760	1,597	163
Subtotal	272,294	280,891	(8,597)
Capital outlay - Parks	448,000	2,137	445,863
Debt Service - Swimming Pool	51,124	42,827	8,297
Total Culture and Recreation	<u>\$ 771,418</u>	<u>\$ 325,855</u>	<u>\$ 445,563</u>
<b>Miscellaneous</b>			
Airport			
Operating expense	27,500	22,352	5,148
Insurance and bonds	5,830	5,034	796
Utilities	2,800	2,103	697
Subtotal	36,130	29,489	6,641
Capital outlay	286,272	166,537	119,735
Total Miscellaneous	<u>\$ 322,402</u>	<u>\$ 196,026</u>	<u>\$ 126,376</u>
<b>Summary of Capital Outlay - all departments</b>			
General Administration	\$ -	\$ -	\$ -
Public Safety	6,000	-	6,000
Public Works	175,000	132,569	42,431
Culture and Recreation	448,000	2,137	8,297
Airport	286,272	166,537	119,735
Total Capital Outlay	<u>\$ 915,272</u>	<u>\$ 301,243</u>	<u>\$ 176,463</u>
<b>Summary of Debt Service - all departments</b>			
Public Safety	\$ -	\$ -	\$ -
Public Works	-	-	-
Culture and Recreation	51,124	42,827	-
Total Debt Service	<u>\$ 51,124</u>	<u>\$ 42,827</u>	<u>\$ -</u>

TOWN OF AKRON, COLORADO  
CEMETERY TRUST FUND  
SCHEDULE OF REVENUES, EXPENSES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Revenues			
Perpetual care charges	\$ 1,000	\$ 720	\$ (280)
Miscellaneous	-	459	459
Interest on investments	1,004	1,008	4
Total Revenues	<u>2,004</u>	<u>2,187</u>	<u>183</u>
Expenses			
Insurance and bonds	1,200	1,214	(14)
Operating expense	8,804	5,784	3,020
Capital outlay	10,000	3,900	6,100
Total Expenses	<u>20,004</u>	<u>10,898</u>	<u>9,106</u>
Net Income	<u>\$ (18,000)</u>	(8,711)	<u>\$ 9,289</u>
Fund Balance at Beginning of Year		<u>126,630</u>	
Fund Balance at End of Year		<u>\$ 117,919</u>	

TOWN OF AKRON, COLORADO  
 CONSERVATION TRUST FUND  
 SCHEDULE OF REVENUES, EXPENSES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Revenues			
Lottery proceeds	\$ 16,500	\$ 19,853	\$ 3,353
Interest on investments	80	224	144
Total Revenues	<u>16,580</u>	<u>20,077</u>	<u>3,497</u>
Expenses			
Contingency	-	-	-
Capital outlay	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenses	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Revenues in Excess (Deficiency) of Expenditures	<u>\$ (3,420)</u>	20,077	<u>\$ 23,497</u>
Fund Balance at Beginning of Year		<u>34,249</u>	
Fund Balance at End of Year		<u>\$ 54,326</u>	

TOWN OF AKRON, COLORADO  
WATER FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL - NON GAAP  
For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Operating Revenues			
Water sales	\$ 364,500	359,669	\$ (4,831)
Delinquent fees	800	855	55
Miscellaneous	50	743	693
Total Operating Revenues	<u>365,350</u>	<u>361,267</u>	<u>(4,083)</u>
Operating Expenses			
Salaries	55,800	57,741	(1,941)
Administration salaries	45,300	44,949	351
Employee benefits	32,100	30,518	1,582
Payroll taxes	8,000	7,856	144
Insurance and bonds	9,240	8,644	596
Operating expense and supplies	35,000	38,186	(3,186)
Vehicle expense	9,000	7,350	1,650
Office expense	5,100	3,933	1,167
Power purchases	70,000	82,394	(12,394)
Capital outlay	35,000	41,632	(6,632)
Reserve for deductible	1,000	-	1,000
Contingency	70,000	-	70,000
Testing expense	2,500	-	2,500
Utilities	1,300	1,080	220
Total Operating Expenses	<u>379,340</u>	<u>324,283</u>	<u>55,057</u>
Operating Income (Loss)	<u>(13,990)</u>	<u>36,984</u>	<u>50,974</u>
Non-Operating Income (Expense)			
Interest on investments	371	520	149
Tap fees	2,225	-	(2,225)
Debt service - principal	(44,867)	(44,867)	-
- interest	(6,692)	(6,697)	(5)
Debt service reserves	(19,620)	-	19,620
Total Non-Operating Income (Loss)	<u>(68,583)</u>	<u>(51,044)</u>	<u>17,539</u>
Net Income (Loss) - Budgetary Basis	<u>\$ (82,573)</u>	<u>(14,060)</u>	<u>\$ 68,513</u>
Adjustments for GAAP Basis			
Principal payment		44,867	
Capital outlay		37,619	
Depreciation		<u>(75,881)</u>	
Total GAAP Adjustments		<u>6,605</u>	
Net Income (Loss) - GAAP Basis		(7,455)	
Net Position at Beginning of Year		<u>850,441</u>	
Net Position at End of Year		<u>\$ 842,986</u>	

TOWN OF AKRON, COLORADO  
SEWER FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL - NON GAAP  
For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Operating Revenues			
Sewer charges	\$ 310,000	310,347	\$ 347
Total Operating Revenues	<u>310,000</u>	<u>310,347</u>	<u>347</u>
Operating Expenses			
Salaries	57,400	56,822	578
Employee benefits	17,400	15,554	1,846
Payroll taxes	4,014	4,345	(331)
Insurance and bonds	4,950	4,773	177
Office expense	2,800	2,068	732
Operating expense and supplies	50,100	56,262	(6,162)
Vehicle expense	1,800	1,768	32
Capital outlay	30,000	27,311	2,689
Amortization	47,500	-	47,500
Reserve for deductible	1,000	-	1,000
Contingency	150,000	-	150,000
Utilities	20,500	23,512	(3,012)
Total Operating Expenses	<u>387,464</u>	<u>192,415</u>	<u>195,049</u>
Operating Income (Loss)	<u>(77,464)</u>	<u>117,932</u>	<u>195,396</u>
Non-Operating Income (Expense)			
Interest on investments	600	1,003	403
Farming income	3,900	6,285	2,385
Tap fees	1,000	-	(1,000)
Debt service - principal	(30,360)	(30,360)	-
- interest	(68,024)	(68,024)	-
Debt service reserves	(98,400)	-	98,400
Total Non-Operating Income (Loss)	<u>(191,284)</u>	<u>(91,096)</u>	<u>100,188</u>
Net Income (Loss) - Budgetary Basis	<u>\$ (268,748)</u>	<u>26,836</u>	<u>\$ 295,584</u>
Adjustments for GAAP Basis			
Principal payment		30,360	
Capital Outlay		27,311	
Depreciation		<u>(97,383)</u>	
Total GAAP Adjustments		<u>(39,712)</u>	
Net Income (Loss) - GAAP Basis		(12,876)	
Net Position at Beginning of Year		<u>1,342,169</u>	
Net Position at End of Year		<u>\$ 1,329,293</u>	

TOWN OF AKRON, COLORADO  
 FIREMEN'S PENSION FUND  
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 For the Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Operating Revenues			
Property taxes (net of Treasurer's fees)	\$ 19,759	19,412	\$ (347)
State remittance	19,000	15,898	(3,102)
Rural Fire District	19,000	19,389	389
AVFD contributions	2,000	2,000	-
Interest on investments	400	562	162
Total Operating Revenues	<u>60,159</u>	<u>57,261</u>	<u>(2,898)</u>
Operating Expenses			
Pension payments	49,680	49,680	-
Contingency	10,479	-	10,479
Total Operating Expenses	<u>60,159</u>	<u>49,680</u>	<u>10,479</u>
Net Income	<u>\$ -</u>	<u>7,581</u>	<u>\$ (13,377)</u>
Fund Balance at Beginning of Year		<u>(83,385)</u>	
Fund Balance at End of Year		<u>\$ (75,804)</u>	

TOWN OF AKRON, COLORADO

SCHEDULE OF THE FIREMAN'S PENSION FUND'S PROPORTIONATE  
SHARE OF NET PENSION LIABILITY  
For the Year Ended December 31, 2019

Year Ended December 31,	Cumulative Proportion of Net Pension Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net Pension Liability
2015	35.00%	\$ 281,849	N/A	N/A	26.43%
2016	35.00%	271,299	N/A	N/A	28.62%
2017	35.00%	267,649	N/A	N/A	29.88%
2018	35.00%	273,933	N/A	N/A	30.99%
2019	35.00%	272,176	N/A	N/A	30.64%

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
For the Year Ended December 31, 2018

Year Ended December 31,	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2015	\$ 55,146	\$ 55,146	N/A	N/A
2016	57,478	57,478	N/A	N/A
2017	58,334	58,334	N/A	N/A
2018	57,954	57,954	N/A	N/A
2019	51,680	51,680	N/A	N/A

Covered payroll and % of Covered Payroll are not relevant to the Fireman's Pension Fund as reported because the pension benefits are calculated based on years of service requirements.

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

## Steps for printing your content and returning to 'Edit Mode

1. Click Ctrl + A on a Windows machine or Command + A on a Mac to select all data.
2. Right-click your mouse and select Print.
3. Confirm that print settings are correct - make sure "selection only" isn't checked.
4. Print hard copy or to PDF.
5. Click "Edit Mode" to return to modifying your data.
6. Remember to click "Save" to save any changes.

---

## ANNUAL HIGHWAY FINANCE REPORT - CY19

Email address: admin@townofakron.com

City/County: Akron

### II - RECEIPTS FOR ROAD AND STREET PURPOSES

**Please no commas or dollar signs for the input**

#### A. Receipts from local sources

2. General Fund Appropriations:	\$	97,873.26
3. Other local imposts: <i>from A.3. 'Total' below)</i>	\$	81,377.37
4. Miscellaneous local receipts: <i>from A.4. 'Total' below)</i>	\$	23,470.60
5. Transfers from toll facilities	\$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	0.00
b. Bonds - Refunding Issues:	\$	0.00
c. Notes:	\$	0.00

SubTotal: \$ 202,721.23

B. Private Contributions \$ 0.00

## II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

**Please no commas or dollar signs for the input**

### A.3. Other local imposts

a. Property Taxes and Assessments	\$	0.00
b. Other Local Imposts		
1. Sales Taxes:	\$	0.00
2. Infrastructure and Impact Fees:	\$	0.00
3. Liens:	\$	0.00
4. Licenses:	\$	8,006.47
5. Specific Ownership and/or Other:	\$	73,370.90
Total: <i>(a + b) carried to 'Other local imposts' above</i>		\$ 81,377.37

### A.4. Miscellaneous local receipts

**Please no commas or dollar signs for the input**

a. Interest on Investments:	\$	0.00
b. Traffic fines & Penalties:	\$	18,327.00
c. Parking Garage Fees:	\$	0.00
d. Parking Meter Fees:	\$	0.00
e. Sale of Surplus Property:	\$	0.00
f. Charges for Services:	\$	0.00
g. Other Misc. Receipts:	\$	5,143.60
h. Other:	\$	0.00
Total: <i>(a through h) carried to 'Misc local receipts' above</i>		\$ 23,470.60

### C. Receipts from State Government

**Please no commas or dollar signs for the input**

1. Highway User Taxes:	\$	81,765.21
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	0.00
d. Other (Specify):		
Comments: undefined	\$	0.00
e. Other (Specify):		
Comments: undefined	\$	0.00
Total: <i>(1+3c,d,e)</i>		\$ 81,765.21

### D. Receipts from Federal Government

**Please no commas or dollar signs for the input**

2. Other Federal Agencies

a. Forest Service:	\$	0.00
b. FEMA:	\$	0.00
c. HUD:	\$	0.00
d. Federal Transit Administration:	\$	0.00
e. U.S. Corp of Engineers	\$	0.00
f. Other Federal:	\$	0.00
Total: (2a-f)	\$	0.00

### III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

#### A. Local highway disbursements

1. Capital outlay: (from A.1.d. 'Total Capital Outlay' below)	\$	0.00
2. Maintenance:	\$	224,382.39
3. Road and street services		
a. Traffic control operations:	\$	44,158.18
b. Snow and ice removal:	\$	8,000.00
c. Other:	\$	0.00
4. General administration & miscellaneous	\$	7,945.87
5. Highway law enforcement and safety	\$	0.00
Total: (A.1-5)	\$	284,486.44

Please no commas or dollar signs for the input

#### B. Debt service on local obligations

1. Bonds		
a. Interest	\$	0.00
b. Redemption	\$	0.00
2. Notes		
a. Interest	\$	0.00
b. Redemption	\$	0.00
SubTotal: (1+2)	\$	0.00

Please no commas or dollar signs for the input

C. Payments to State for Highways:	\$	0.00
------------------------------------	----	------

D. Payments to Toll Facilities: \$ 0.00

Total Disbursements: (A+B+C+D) \$ 284,486.44

Please no commas or dollar signs for the input

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	\$ 0.00	\$ 0.00	\$ 0.00
b. Engineering Costs:	\$ 0.00	\$ 0.00	\$ 0.00
c. Construction			
1. New Facilities:	\$ 0.00	\$ 0.00	\$ 0.00
2. Capacity Improvements:	\$ 0.00	\$ 0.00	\$ 0.00
3. System Preservation:	\$ 0.00	\$ 0.00	\$ 0.00
4. System Enhancement:	\$ 0.00	\$ 0.00	\$ 0.00
5. Total Construction:			\$ 0.00
d. Total Capital Outlay: (Lines A.1.a. + 1.b. + 1.c.5)			\$ 0.00

#### IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
1. Bonds (Refunding Portion)		\$ 0.00	\$ 0.00	\$ 0.00
B. Notes (Total):	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

#### V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 284,486.44	\$ 284,486.44	\$ 0.00	\$ 0.00

Notes & Comments:  
undefined

Please enter your name: Dencia J Raish

Please provide a telephone number where you may be reached: 970-345-2624

Please click on the "Save" button before viewing the data in a print format.