

TOWN OF CRESTONE
FINANCIAL STATEMENTS

December 31, 2019



Wall,
Smith,
Bateman Inc.
Certified Public Accountants

TOWN OF CRESTONE
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INDEPENDENT AUDITORS' REPORT



Wall,
Smith,
Bateman Inc.

To the Honorable Mayor
and Board of Trustees
Town of Crestone
Crestone, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Crestone (the Town) 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditors' 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, and each major fund of the Town of Crestone, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Certified Public Accountants

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Other Matters

Required Supplementary Information

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.

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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The proprietary fund budgetary comparison information and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The proprietary fund budgetary comparison information and Local Highway Finance Report are the responsibility of management and were 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 proprietary fund budgetary comparison information and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

August 20, 2020

**TOWN OF CRESTONE
BASIC FINANCIAL STATEMENTS**

TOWN OF CRESTONE
STATEMENT OF NET POSITION
December 31, 2019

	Primary Government		TOTAL
	Governmental Activities	Business-Type Activities	
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 290,359	\$ 108,284	\$ 398,643
Property Taxes Receivable	10,337	-	10,337
Sales Tax Receivable	49,113	-	49,113
Accounts Receivable	2,573	815	3,388
Grant Receivable	27,007	-	27,007
Internal Balances	(2,930)	2,930	-
Other Assets	164	55	219
Total Current Assets	376,623	112,084	488,707
Noncurrent Assets			
Land	422,855	16,847	439,702
Construction in Progress	6,542	31,256	37,798
Buildings and Improvements	823,784	-	823,784
Infrastructure	1,735,543	-	1,735,543
Vehicles and Equipment	45,278	-	45,278
Utility System	-	1,419,454	1,419,454
Less: Accumulated Depreciation	(498,895)	(487,473)	(986,368)
Total Noncurrent Assets	2,535,107	980,084	3,515,191
TOTAL ASSETS	2,911,730	1,092,168	4,003,898
LIABILITIES			
Current Liabilities			
Accounts Payable	2,803	-	2,803
Payroll Taxes Payable	5,111	-	5,111
Rental Deposits	1,804	-	1,804
Loan Payable	-	7,444	7,444
Total Current Liabilities	9,718	7,444	17,162
Noncurrent Liabilities			
Loan Payable	-	63,644	63,644
Total Noncurrent Liabilities	-	63,644	63,644
TOTAL LIABILITIES	9,718	71,088	80,806
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	10,337	-	10,337
TOTAL DEFERRED INFLOWS OF RESOURCES	10,337	-	10,337
NET POSITION			
Net Investment in Capital Assets	2,535,107	908,996	3,444,103
Restricted for:			
TABOR	12,404	-	12,404
Conservation Trust Fund	2,025	-	2,025
Unrestricted	342,139	112,084	454,223
TOTAL NET POSITION	\$ 2,891,675	\$ 1,021,080	\$ 3,912,755

The accompanying notes are an integral part of this financial statement.

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	TOTAL
Primary Government:							
Governmental Activities:							
General Government	\$ 250,340	\$ 35,754	\$ 5,758	\$ -	\$ (208,828)	\$ -	\$ (208,828)
Public Safety	8,559	-	-	-	(8,559)	-	(8,559)
Highways and Streets	109,215	-	23,076	259,312	173,173	-	173,173
Culture and Recreation	25,868	-	2,575	18,976	(4,317)	-	(4,317)
Health and Welfare	3,406	-	-	-	(3,406)	-	(3,406)
Capital Outlay	-	-	-	-	-	-	-
Interest on Long-term Debt	-	-	-	-	-	-	-
Total Governmental Activities	397,388	35,754	31,409	278,288	(51,937)	-	(51,937)
Business-Type Activities:							
Water	82,555	39,565	5,000	10,376	-	(27,614)	(27,614)
Sewer	60,499	52,565	-	-	-	(7,934)	(7,934)
Total Business-Type Activities	143,054	92,130	5,000	10,376	-	(35,548)	(35,548)
Total Primary Government	\$ 540,442	\$ 127,884	\$ 36,409	\$ 288,664	(51,937)	(35,548)	(87,485)
General Revenues:							
Taxes:							
General Property Taxes					13,166	-	13,166
Sales Taxes					281,300	-	281,300
Other Taxes					17,255	-	17,255
Interest on Accounts					1,085	712	1,797
Total General Revenues					312,806	712	313,518
Change in Net Position					260,869	(34,836)	226,033
Net Position - Beginning of Year					2,630,806	1,055,916	3,686,722
Net Position - End of Year					\$ 2,891,675	\$ 1,021,080	\$ 3,912,755

4 The accompanying notes are an integral part of this financial statement.

TOWN OF CRESTONE
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2019

	<u>GENERAL FUND</u>	<u>CONSERVATION TRUST FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ 288,334	\$ 2,025	\$ 290,359
Property Taxes Receivable	10,337	-	10,337
Sales Tax Receivable	49,113	-	49,113
Accounts Receivable	2,573	-	2,573
Grant Receivable	27,007	-	27,007
Due From Other Funds	-	-	-
Other	164	-	164
TOTAL ASSETS	<u>\$ 377,528</u>	<u>\$ 2,025</u>	<u>\$ 379,553</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts Payable	\$ 2,803	\$ -	\$ 2,803
Payroll Taxes Payable	5,111	-	5,111
Due to Other Funds	2,930	-	2,930
Rental Deposits	1,804	-	1,804
TOTAL LIABILITIES	<u>12,648</u>	<u>-</u>	<u>12,648</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue- Property Taxes	10,337	-	10,337
FUND BALANCE			
Restricted:			
TABOR Reserve	12,404	-	12,404
Conservation Trust Fund	-	2,025	2,025
Unassigned	342,139	-	342,139
TOTAL FUND BALANCE	<u>354,543</u>	<u>2,025</u>	<u>356,568</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 377,528</u>	<u>\$ 2,025</u>	<u>\$ 379,553</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF CRESTONE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2019

Total governmental fund balances	\$ 356,568
 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.	<u>2,535,107</u>
Net position of governmental activities	<u><u>\$ 2,891,675</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF CRESTONE
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE
For the Year Ended December 31, 2019

	GENERAL FUND	CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Taxes	\$ 311,721	\$ -	\$ 311,721
Intergovernmental Revenue	23,076	1,844	24,920
Licenses and Permits	8,769	-	8,769
Grant Revenue	278,288	-	278,288
Donations	-	-	-
Interest on Accounts	1,078	7	1,085
Charges for Sales and Services	26,985	-	26,985
Miscellaneous	6,058	431	6,489
TOTAL REVENUES	655,975	2,282	658,257
EXPENDITURES			
General Government	205,392	-	205,392
Public Safety	4,416	-	4,416
Highways and Streets	56,849	-	56,849
Culture and Recreation	17,969	23	17,992
Health and Welfare	3,406	-	3,406
Capital Outlay	264,149	-	264,149
Debt Service	-	-	-
TOTAL EXPENDITURES	552,181	23	552,204
Excess (Deficiency) of Revenues Over Expenditures	103,794	2,259	106,053
OTHER FINANCING SOURCES (USES)			
Transfers In	1,520	-	1,520
Transfers Out	-	(1,520)	(1,520)
TOTAL OTHER FINANCING SOURCES (USES)	1,520	(1,520)	-
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	105,314	739	106,053
Fund Balances at Beginning of Year	249,229	1,286	250,515
Fund Balances at End of Year	\$ 354,543	\$ 2,025	\$ 356,568

The accompanying notes are an integral part of this financial statement.

TOWN OF CRESTONE
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

Net change in fund balances - total governmental funds \$ 106,053

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 and reported as depreciation expense.

Capital asset additions	\$ 264,149	
Depreciation expense	<u>(109,333)</u>	
		<u>154,816</u>
Change in net position of governmental activities		<u><u>\$ 260,869</u></u>

TOWN OF CRESTONE
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
December 31, 2019

	<u>WATER AND SEWER FUND</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 108,284
Accounts Receivable	815
Due From General Fund	2,930
Other	55
	<hr/>
Total Current Assets	112,084
Noncurrent Assets	
Land	16,847
Construction in Progress	31,256
Utility System	1,419,454
Less: Accumulated Depreciation	(487,473)
	<hr/>
Total Noncurrent Assets	980,084
	<hr/>
TOTAL ASSETS	1,092,168
LIABILITIES	
Current Liabilities	
Loan Payable	7,444
	<hr/>
Total Current Liabilities	7,444
Noncurrent Liabilities	
Loan Payable	63,644
	<hr/>
TOTAL LIABILITIES	71,088
NET POSITION	
Net Investment in Capital Assets	908,996
Unrestricted	112,084
	<hr/>
TOTAL NET POSITION	\$ 1,021,080
	<hr/> <hr/>

The accompanying notes are an integral part of this financial statement.

TOWN OF CRESTONE
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2019

	WATER AND SEWER FUND
OPERATING REVENUES	
Charges for Services	\$ 92,130
Grant Revenue	5,000
	97,130
Total Operating Revenues	97,130
OPERATING EXPENSES	
Salaries and Benefits	23,270
Professional Services	40,630
Utilities	3,563
Supplies	5,485
Repairs and Maintenance	18,178
Miscellaneous	5,676
Depreciation	42,343
	139,145
Total Operating Expenses	139,145
Operating Income (Loss)	(42,015)
NONOPERATING REVENUES (EXPENSES)	
Interest on Accounts	712
Interest Expense	(3,909)
	(3,197)
Total Nonoperating Revenues (Expenses)	(3,197)
Net Income (Loss) Before Other Revenue	(45,212)
CAPITAL CONTRIBUTIONS	
Tap Fees and Line Extensions	10,376
	10,376
Total Capital Contributions	10,376
Change in Net Position	(34,836)
Net Position, Beginning of Year	1,055,916
Net Position, End of Year	\$ 1,021,080

The accompanying notes are an integral part of this financial statement.

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

	WATER AND SEWER FUND
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 98,663
Cash Payments to Suppliers for Goods and Services	(73,532)
Cash Payments to Employees for Services	(23,270)
	1,861
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Cash Received from Tap Fees and Line Extensions	10,376
Capital Improvements	(285)
Interest Paid on Loan Payable	(3,909)
Principal Paid on Loan Payable	(7,089)
	(907)
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Accounts	712
	712
NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES	
Net Increase (Decrease) in Cash and Cash Equivalents	1,666
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	106,618
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 108,284
Operating Income (Loss)	\$ (42,015)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation Expense	42,343
Change in Assets and Liabilities	
Decrease (Increase) in:	
Accounts Receivable	1,534
Due From Other Funds	(1)
	1,861
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,861

The accompanying notes are an integral part of this financial statement.

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Town of Crestone (the Town) reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

REPORTING ENTITY

Primary Government

The Town was incorporated in 1902, and became a statutory town under State Statute (CRS 31-1-101). The Town operates under Mayor-Council form of government and provides the following services as authorized by its charter: highways and streets, culture and recreation, planning and zoning, water and sewer systems, and general administrative services.

Component Units

The Town's combined financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The Town holds the corporate powers of the organization
- The Town appoints a voting majority of the organization's board
- The Town is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the Town
- There is fiscal dependency by the organization on the Town
- The organization is financially accountable to the Town
- The organization receives or holds funds that are for the benefit of the Town; and the Town has access to a majority of the funds held; and the funds that are accessible are also significant to the Town

Based on the aforementioned criteria, the Town of Crestone has no component units.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the Town. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function or segment and

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. The emphasis of fund financial statements is on major governmental funds and enterprise funds, each reported as a separate column.

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. This measurement is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements, imposed by the provider, are met.

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 available when they are collectible within 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 of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales and use taxes, other taxes, charges for services, intergovernmental revenues, and interest 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.

The Town reports the following major governmental funds:

- The *General Fund* is the general operating fund of the Town. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Conservation Trust Fund* is used to account for the Town's share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks, and other public recreational facilities.

The Town reports the following major enterprise fund:

- The *Enterprise Fund* accounts for user charges and expenses for operating, financing, and maintaining the Town's water and sewer systems.

Proprietary fund financial statements are used to account for activities similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. Expenses include the cost of sales and services, administrative expenses and depreciation on capital assets.

The proprietary funds are accounted for using the accrual basis of accounting as follows:

- Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.
- Current-year contributions, administrative expenses, and premium payments, which are not received or paid until the subsequent year, are accrued.

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

Proprietary funds distinguish operating revenues and expenses from nonoperating 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. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated.

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash

The Town's cash and cash equivalents are considered to be cash in bank, certificates of deposit and liquid investments with maturity of three months or less.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The Town's property taxes are collected by the County Treasurer who remits monthly receipts to the Town. Property tax revenue is recognized when received by the County Treasurer. The 2019 property tax levy due January 1, 2020, has been recorded in the financial statements as a receivable and corresponding deferred inflow of resources.

Receivables/Payables From Other Funds

Balances that originate from current lending/borrowing arrangements between funds are referred to as "Due To/From Other Funds".

Capital Assets

Capital assets, which include construction in progress, land, infrastructure, buildings and improvements, vehicles, machinery and equipment, and water and sewer system, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. 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.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	15-50
Infrastructure	20
Vehicles and Equipment	2-15

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This represents a consumption of net position/fund balance that applies to a future period(s) and will not be recognized as an outflow of resources (as either an expense or expenditure) until that period.

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

In addition to liabilities, the statement of net position and governmental funds balance sheet reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as an expense.

Compensated Absences

The Town does not accrue sick and personal days for employees. The Town does accrue vacation days for employees; however, the liability is deemed to be immaterial and is not recorded in the financial statements.

Unearned Revenue

Revenues on grants, which are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenues.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in the following three components:

- *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are reported by classification based on the extent to which the Town is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of the following five categories:

- *Nonspendable Fund Balance*- amounts that cannot be spent because they are not in spendable form such as inventory and prepaid expenditures.
- *Restricted Fund Balance*- amounts restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

- *Committed Fund Balance*- amounts that can only be used for specific purposes as a result of constraints imposed through adopted resolution 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. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- *Assigned Fund Balance*- amounts a government intends to use for a specific purpose; intent can be expressed by the Board of Trustees or by an official or body to which the governing body delegates the authority.
- *Unassigned Fund Balance*- amounts that are available for any purpose; these amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position/fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, and unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

Encumbrances

The Town does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are re-budgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Reclassifications

Certain amounts in 2018 have been reclassified to conform to the 2019 financial statement presentation.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Town of Crestone follows the procedures set forth in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- 1) Preparation of budget documents by administrative staff shall be submitted to the Board no later than October 15 of each year.
- 2) Publication of a notice stating that the budget is available for public inspection.
- 3) Discussion of the budget in a meeting open to the public.
- 4) Adoption of the budget in a public meeting by appropriate resolution no later than December 31.

Formal budgetary integration is employed as a management control device for all funds of the Town. Governmental fund budgets are adopted on a basis consistent with accounting principles generally accepted in the United States

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

(GAAP). Proprietary funds present a reconciliation to the GAAP-basis. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget, if applicable.

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Town did not adopt supplemental appropriations during fiscal year 2019.

Stewardship

Total expenses exceeded budgeted appropriations in the Water and Sewer Fund by \$962 during fiscal year 2019. This may be a violation of Colorado Revised Statutes 22-44-115(1).

NOTE 3 CASH AND DEPOSITS

A summary of cash and deposits for the Town are as follows:

Cash on Hand and in Banks	\$ 398,643
Total cash and deposits on the Statement of Net Position	<u>\$ 398,643</u>

Cash and Deposits

Colorado State Statutes govern the Town’s deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories, determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds 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. All deposits were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989 during 2019.

Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. At December 31, 2019, the Town was not exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

NOTE 4 PROPERTY TAXES RECEIVABLE

At December 31, 2019, the Town had an estimated property tax receivable of \$10,337.

NOTE 5 INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The Town reported interfund receivable and payable balances from the General Fund to the Water and Sewer Fund. Grant funds were directly deposited into the General for the Water and Sewer Fund. The General Fund will transfer the funds in 2020.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water and Sewer Fund	General Fund	<u>\$ 2,930</u>

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

Interfund transfers for the year ended December 31, 2019 were as follows:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
Conservation Trust Fund	General Fund	\$ 1,520

These transfers were to reimburse the General Fund.

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019, was as follows:

	Balance 12/31/2018	Additions	Deletions	Balance 12/31/2019
<i>Governmental Activities:</i>				
Capital assets not being depreciated				
Land	\$ 422,855	\$ -	\$ -	\$ 422,855
Construction in Progress	488,008	-	481,466	6,542
Total capital assets not being depreciated	910,863	-	481,466	429,397
Capital assets being depreciated				
Buildings and Improvements	823,784	-	-	823,784
Infrastructure	1,008,718	726,825	-	1,735,543
Vehicles and Equipment	26,488	18,790	-	45,278
Total capital assets being depreciated	1,858,990	745,615	-	2,604,605
Less accumulated depreciation for:				
Buildings and Improvements	154,163	18,510	-	172,673
Infrastructure	214,537	86,557	-	301,094
Vehicles and Equipment	20,862	4,266	-	25,128
Total accumulated depreciation	389,562	109,333	-	498,895
Total capital assets being depreciated	1,469,428	636,282	-	2,105,710
Governmental Activities Capital Assets, net	\$ 2,380,291	\$ 636,282	\$ 481,466	\$ 2,535,107

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

	Balance 12/31/2018	Additions	Deletions	Balance 12/31/2019
<i>Business-type Activities:</i>				
Capital Assets not being depreciated				
Land	\$ 16,847	\$ -	\$ -	\$ 16,847
Construction In Progress	30,970	286	-	31,256
Total capital assets not being depreciated	<u>47,817</u>	<u>286</u>	<u>-</u>	<u>48,103</u>
Capital Assets being depreciated				
Utility System	1,419,454	-	-	1,419,454
Less: Accumulated Depreciation	(445,130)	(42,343)	-	(487,473)
Total capital assets being depreciated	<u>974,324</u>	<u>(42,343)</u>	<u>-</u>	<u>931,981</u>
Business-type Activities Capital Assets, net	<u>\$ 1,022,141</u>	<u>\$ (42,057)</u>	<u>\$ -</u>	<u>\$ 980,084</u>

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

Governmental activities:

General Government	\$ 44,948
Public Safety	4,143
Highways and Streets	52,366
Culture and Recreation	7,876
Total depreciation expense – governmental activities	<u>\$ 109,333</u>

Business-type activities:

Water	\$ 26,126
Sewer	16,217
Total depreciation expense – business-type activities	<u>\$ 42,343</u>

NOTE 7 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2019 was as follows:

	Balance 12/31/2018	Additions	Deletions	Balance 12/31/2019	Due Within One Year
<i>Business-type Activities:</i>					
Loan Payable	\$ 78,177	\$ -	\$ 7,089	\$ 71,088	\$ 7,444

Business-type Activities - Loan Payable

The Town entered into a loan payable of \$138,220 in 2007 payable in annual installments of \$10,999 beginning in 2008 at an interest rate of 5% for the Crestone Water System Phase I. This capital asset is recorded as part of the Utility System in the Water and Sewer Fund at \$606,910 less accumulated depreciation of \$198,122. The annual payment requirements are based on the entire loan balance and are as follows:

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

	Principal	Interest	Total
2020	\$ 7,444	\$ 3,555	\$ 10,999
2021	7,817	3,182	10,999
2022	8,207	2,792	10,999
2023	8,618	2,381	10,999
2024	9,049	1,950	10,999
2025-2027	29,953	3,044	32,997
Total	<u>\$ 71,088</u>	<u>\$ 16,904</u>	<u>\$ 87,992</u>

NOTE 8 SEGMENT INFORMATION FOR ENTERPRISE FUND

The following is a summary of operating income and expense information on the water and sewer segments of the Enterprise fund. All services are provided from a single enterprise fund.

	WATER	SEWER	TOTAL
Charges for Services	\$ 39,565	\$ 52,565	\$ 92,130
Grant Revenue	5,000	-	5,000
Total Operating Revenue	<u>44,565</u>	<u>52,565</u>	<u>97,130</u>
Operating Expense	52,520	44,282	96,802
Depreciation	26,126	16,217	42,343
Total Operating Expense	<u>78,646</u>	<u>60,499</u>	<u>139,145</u>
Operating Income (Loss)	<u>(34,081)</u>	<u>(7,934)</u>	<u>(42,015)</u>
Non-Operating Revenue/(Expense)			
Interest on Accounts	208	504	712
Interest Expense	(3,909)	-	(3,909)
Total Non-Operating Expense	<u>(3,701)</u>	<u>504</u>	<u>(3,197)</u>
Income (Loss) Before Other Revenues	<u>(37,782)</u>	<u>(7,430)</u>	<u>(45,212)</u>
Capital Contributions (Water & Sewer Taps)	10,376	-	10,376
Change in Net Position	<u>\$ (27,406)</u>	<u>\$ (7,430)</u>	<u>\$ (34,836)</u>
Net Position at Beginning of Year			<u>1,055,916</u>
Net Position at End of Year			<u>\$ 1,021,080</u>

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
Land	\$ 11,847	\$ 5,000	\$ 16,847
Construction in Progress	31,256	-	31,256
Utility System	786,250	633,204	1,419,454
Accumulated Depreciation	(240,924)	(246,549)	(487,473)
Total Capital Assets (Net)	<u>\$ 588,429</u>	<u>\$ 391,655</u>	<u>\$ 980,084</u>

NOTE 9 TABOR EMERGENCY RESERVE

Colorado voters passed an amendment to the State constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment.

In November 1998, the voters of the Town approved a ballot issue to allow the Town “to collect, retain or expend all revenues and other funds received from any source, notwithstanding any restriction or limit on fiscal year revenue or spending generated during 1988 and each subsequent year thereafter, without limiting the restrictions of Article X, Section 20 of the Colorado Constitution”.

The amendment also requires that Emergency Reserves be established. These reserves must be at least three percent of fiscal year spending. The Emergency Reserve has been presented as restricted fund balance/net position in the financial statements. The Town is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

NOTE 10 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. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

NOTE 11 COMMITMENTS AND CONTINGENCIES

Grants

The Town participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of expenditures, if any, which may be disallowed by the granting agencies, cannot be determined at this time although the Town expects such amounts to be immaterial.

Litigation

The Town is party to various legal actions normally associated with governmental activities, aggregate effect which, in management’s and legal counsel’s opinion, would not be material to the financial statements.

TOWN OF CRESTONE
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2019

NOTE 12 SUBSEQUENT EVENT

In March of 2020, the COVID-19 virus was declared a global pandemic. Business continuity throughout the Town could be severely impacted for months or more, as significant and unprecedented measure to mitigate the consequences of the pandemic are undertaken. No adjustments have been made to these financial statements as the potential impact is unknown at this time.

TOWN OF CRESTONE

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and if applicable, each of the Town's major special revenue funds.

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

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes	\$ 271,500	\$ 271,500	\$ 311,721	\$ 40,221
Highway Users Tax	18,000	18,000	23,076	5,076
Licenses and Permits	6,175	6,175	8,769	2,594
Grant Revenue	310,798	310,798	278,288	(32,510)
Interest on Accounts	100	100	1,078	978
Charges for Sales and Services	17,025	17,025	26,985	9,960
Miscellaneous	3,000	3,000	6,058	3,058
TOTAL REVENUES	626,598	626,598	655,975	29,377
EXPENDITURES				
General Government	228,335	228,335	205,392	22,943
Public Safety	20,000	20,000	4,416	15,584
Highways and Streets	67,500	67,500	56,849	10,651
Culture and Recreation	21,100	21,100	17,969	3,131
Health and Welfare	8,200	8,200	3,406	4,794
Capital Outlay	300,798	300,798	264,149	36,649
Debt Service	-	-	-	-
TOTAL EXPENDITURES	645,933	645,933	552,181	93,752
Excess (Deficiency) of Revenues over Expenditures	(19,335)	(19,335)	103,794	123,129
OTHER FINANCING SOURCES (USES)				
Transfer In	-	-	1,520	1,520
TOTAL OTHER FINANCING SOURCES (USES)	-	-	1,520	1,520
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(19,335)	(19,335)	105,314	124,649
Fund Balance at Beginning of Year	100,836	100,836	249,229	148,393
Fund Balance at End of Year	\$ 81,501	\$ 81,501	\$ 354,543	\$ 273,042

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
This schedule is presented on the GAAP basis.

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

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Intergovernmental Revenue				
Lottery Funds	\$ 1,700	\$ 1,700	\$ 1,844	\$ 144
Interest on Accounts	2	2	7	5
Other	-	-	431	431
TOTAL REVENUES	<u>1,702</u>	<u>1,702</u>	<u>2,282</u>	<u>580</u>
EXPENDITURES				
Culture and Recreation				
Maintenance	1,700	1,700	23	1,677
TOTAL EXPENDITURES	<u>1,700</u>	<u>1,700</u>	<u>23</u>	<u>1,677</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2</u>	<u>2</u>	<u>2,259</u>	<u>2,257</u>
OTHER FINANCING SOURCES (USES)				
Transfer Out	-	-	(1,520)	(1,520)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(1,520)</u>	<u>(1,520)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	2	2	739	737
Fund Balance at Beginning of Year	<u>151</u>	<u>151</u>	<u>1,286</u>	<u>1,135</u>
Fund Balance at End of Year	<u>\$ 153</u>	<u>\$ 153</u>	<u>\$ 2,025</u>	<u>\$ 1,872</u>

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
This schedule is presented on the GAAP basis.

TOWN OF CRESTONE
SUPPLEMENTARY INFORMATION

TOWN OF CRESTONE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP)
PROPRIETARY FUND TYPE - WATER AND SEWER FUND
For the Year Ended December 31, 2019

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
OPERATING REVENUES				
Charges for Services	\$ 76,350	\$ 76,350	\$ 92,130	\$ 15,780
Grant Revenue	45	45	5,000	4,955
Total Operating Revenues	<u>76,395</u>	<u>76,395</u>	<u>97,130</u>	<u>20,735</u>
OPERATING EXPENSES				
Salaries and Benefits	28,500	28,500	23,270	5,230
Purchased Services	45,600	45,600	40,630	4,970
Utilities	3,725	3,725	3,563	162
Supplies	675	675	5,485	(4,810)
Repairs and Maintenance	5,100	5,100	18,178	(13,078)
Miscellaneous	5,150	5,150	5,676	(526)
Total Operating Expenses	<u>88,750</u>	<u>88,750</u>	<u>96,802</u>	<u>(8,052)</u>
Operating income (loss)	<u>(12,355)</u>	<u>(12,355)</u>	<u>328</u>	<u>12,683</u>
NONOPERATING REVENUES (EXPENSES)				
Interest on Accounts	150	150	712	562
Interest Expense	(10,999)	(10,999)	(3,909)	7,090
Total Nonoperating Revenues (Expenses)	<u>(10,849)</u>	<u>(10,849)</u>	<u>(3,197)</u>	<u>7,652</u>
CAPITAL CONTRIBUTIONS				
Tap Fees and Line Extensions	3,600	3,600	10,376	6,776
Total capital contributions	<u>3,600</u>	<u>3,600</u>	<u>10,376</u>	<u>6,776</u>
Net Income - Budget Basis	<u>(19,604)</u>	<u>(19,604)</u>	<u>7,507</u>	<u>27,111</u>
Less: Depreciation			<u>(42,343)</u>	
Net Income (Loss)			(34,836)	
Net Position at Beginning of Year	<u>32,901</u>	<u>32,901</u>	<u>1,055,916</u>	<u>1,023,015</u>
Net Position at End of Year	<u>\$ 13,297</u>	<u>\$ 13,297</u>	<u>\$ 1,021,080</u>	<u>\$ 1,007,783</u>

TOWN OF CRESTONE
OTHER SCHEDULES AND REPORTS

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Crestone
	YEAR ENDING : December 31, 2019

This Information From The Records Of Town of Crestone	Prepared By: Gwynn Busby Phone: (719) 256-4313
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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	D. Receipts from Federal Highway Administration
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)	245,359
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	12,985
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	2,951
2. General fund appropriations	1,471	b. Snow and ice removal	1,332
3. Other local imposts (from page 2)	0	c. Other	0
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	4,283
5. Transfers from toll facilities		4. General administration & miscellaneous	5,948
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues		6. Total (1 through 5)	268,575
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)	1,471	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	267,104	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	268,575	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)	268,575

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	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	D. Ending Balance	E. Reconciliation
	0	268,575	268,575		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 31, 2019

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	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	0	h. Other	
c. Total (a. + b.)	0	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	23,076	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	
c. Motor Vehicle Registrations		d. Federal Transit Admin	
d. Other (DOLA Grant)	244,028	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	244,028	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	267,104	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			0
(4). System Enhancement & Operation		245,359	245,359
(5). Total Construction (1) + (2) + (3) + (4)	0	245,359	245,359
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	245,359	245,359
			(Carry forward to page 1)

Notes and Comments: