

# **Town of Deer Trail, Colorado**

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**Financial Statements and Independent Auditor's Report**

**December 31, 2019**

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## Independent Auditor's Report

Honorable Mayor and the Board of Trustees  
Town of Deer Trail, 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 Deer Trail, Colorado, as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the Town of Deer Trail, Colorado'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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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 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 Deer Trail, Colorado, as of December 31, 2019 in accordance with accounting principles generally accepted in the United States of America.

## **Other-Matters**

### *Required Supplementary Information*

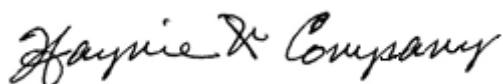
Accounting principles generally accepted in the United States of America require that budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Deer Trail, Colorado's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis is not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, 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. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements as a whole.



Littleton, Colorado  
July 30, 2020

## **Basic Financial Statements**

**Town of Deer Trail, Colorado**  
**Statement of Net Position**  
**December 31, 2019**

	<b>PRIMARY GOVERNMENT</b>		
	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 501,902	\$ 558,672	\$ 1,060,574
Restricted Cash	-	53,995	53,995
Accounts Receivable	12,311	-	12,311
Property Taxes Receivable	92,462	-	92,462
Utility Accounts Receivable	-	71,729	71,729
<b>Total Current Assets</b>	<b>606,675</b>	<b>684,396</b>	<b>1,291,071</b>
<b>Non-Current Assets:</b>			
Capital Assets, Net			
Land	-	3,000	3,000
Construction in progress	-	132,319	132,319
Infrastructure and Equipment	298,597	3,025,762	3,324,359
<b>Total Non-Current Assets</b>	<b>298,597</b>	<b>3,161,081</b>	<b>3,459,678</b>
<b>TOTAL ASSETS</b>	<b>905,272</b>	<b>3,845,477</b>	<b>4,750,749</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	662	7,964	8,626
Accrued Liabilities	23,426	18,064	41,490
Current Portion of Long-Term Debt	-	19,362	19,362
<b>Total Current Liabilities</b>	<b>24,088</b>	<b>45,390</b>	<b>69,478</b>
<b>Non-Current Liabilities:</b>			
Long Term Debt, Net of Current Portion	-	760,955	760,955
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>760,955</b>	<b>760,955</b>
<b>TOTAL LIABILITIES</b>	<b>24,088</b>	<b>806,345</b>	<b>830,433</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Revenue - Property Taxes	92,462	-	92,462
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>92,462</b>	<b>-</b>	<b>92,462</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	298,597	2,380,764	2,679,361
Restricted for:			
Conservation Trust	67,664	-	67,664
Emergencies	14,796	-	14,796
Unrestricted	407,665	658,368	1,066,033
<b>TOTAL NET POSITION</b>	<b>\$ 788,722</b>	<b>\$ 3,039,132</b>	<b>\$ 3,827,854</b>

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

**Town of Deer Trail, Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2019**

<u>FUNCTIONS / PROGRAMS</u>	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>PROGRAM REVENUES</u>	
			<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>
<b>PRIMARY GOVERNMENT:</b>				
<b>Governmental activities:</b>				
General Government	\$ 324,851	\$ 185,086	\$ -	\$ -
Public Safety	37,359	-	-	-
Culture and Recreation	13,805	-	3,581	-
Public Works	150,011	-	-	-
<b>Total Governmental Activities</b>	<u>526,026</u>	<u>185,086</u>	<u>3,581</u>	<u>-</u>
<b>Business-Type Activities:</b>				
Water	158,759	149,636	-	281,687
Sewer	231,852	127,767	-	306,837
<b>Total Business-Type Activities</b>	<u>390,611</u>	<u>277,403</u>	<u>-</u>	<u>588,524</u>
<b>Total Primary Government</b>	<u>\$ 916,637</u>	<u>\$ 462,489</u>	<u>\$ 3,581</u>	<u>\$ 588,524</u>

Property Taxes  
Taxes and Other  
Investment Earnings  
Miscellaneous  
Contributions  
Transfers In (Out)  
Total General Revenues  
Change in Net Position  
**Net Position Beginning - as restated**  
**Net Position Ending**

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

**NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION**

**PRIMARY GOVERNMENT**

<b>GOVERNMENTAL</b>	<b>BUSINESS-TYPE</b>	
<b>ACTIVITIES</b>	<b>ACTIVITIES</b>	<b>TOTAL</b>
\$ (139,765)	\$ -	\$ (139,765)
(37,359)	-	(37,359)
(10,224)	-	(10,224)
<u>(150,011)</u>	<u>-</u>	<u>(150,011)</u>
<u>(337,359)</u>	<u>-</u>	<u>(337,359)</u>
-	272,564	272,564
<u>-</u>	<u>202,752</u>	<u>202,752</u>
<u>-</u>	<u>475,316</u>	<u>475,316</u>
<u>\$ (337,359)</u>	<u>\$ 475,316</u>	<u>\$ 137,957</u>
\$ 140,154	\$ -	\$ 140,154
15,777	-	15,777
217	58	275
-	50,652	50,652
-	1,400,000	1,400,000
<u>225,714</u>	<u>(225,714)</u>	<u>-</u>
<u>381,862</u>	<u>1,224,996</u>	<u>1,606,858</u>
<u>44,503</u>	<u>1,700,312</u>	<u>1,744,815</u>
<u>744,219</u>	<u>1,338,820</u>	<u>2,083,039</u>
<u>\$ 788,722</u>	<u>\$ 3,039,132</u>	<u>\$ 3,827,854</u>

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

**Town of Deer Trail, Colorado**  
**Balance Sheet - Governmental Funds and Reconciliation of the Balance**  
**Sheet - Governmental Funds to the Statement of Net Position**  
**December 31, 2019**

	<u>GENERAL</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTALS</u>
<b>ASSETS</b>			
Cash	\$ 288,668	\$ 213,234	\$ 501,902
Accounts Receivable	12,311	-	12,311
Property Taxes Receivable	<u>92,462</u>	<u>-</u>	<u>92,462</u>
<b>Total Assets</b>	<u>\$ 393,441</u>	<u>\$ 213,234</u>	<u>\$ 606,675</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	23,426	-	23,426
Accrued Liabilities	<u>662</u>	<u>-</u>	<u>662</u>
<b>Total Liabilities</b>	<u>24,088</u>	<u>-</u>	<u>24,088</u>
<b>DEFERED INFLOWS OF RESOURCES</b>			
Deferred Property Taxes	<u>92,462</u>	<u>-</u>	<u>92,462</u>
<b>Total Deferred Inflows of Resources</b>	<u>92,462</u>	<u>-</u>	<u>92,462</u>
<b>FUND BALANCES</b>			
Restricted:			
Emergency Reserve	14,796	-	14,796
Conservation Trust Funds	-	67,664	67,664
Assigned:			
Open Space	-	145,570	145,570
Unassigned	<u>262,095</u>	<u>-</u>	<u>262,095</u>
<b>Total Fund Balances</b>	<u>276,891</u>	<u>213,234</u>	<u>490,125</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 393,441</u>	<u>\$ 213,234</u>	
Amounts reported for governmental activities in the Statement of Net Position because:			
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.			<u>298,597</u>
Net Position of Governmental Activities			<u>\$ 788,722</u>

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

**Town of Deer Trail, Colorado**  
**Governmental Funds Combined Statement of Revenues, Expenditures,**  
**Changes in Fund Balances and Reconciliation to the Statement of Activities**  
**For the Year Ended December 31, 2019**

	<b>GENERAL</b>	<b>NONMAJOR GOVERNMENTAL FUNDS</b>	<b>TOTALS</b>
<b>REVENUES:</b>			
Taxes	\$ 140,154	\$ -	\$ 140,154
Charges for Services	180,285	1,517	181,802
Intergovernmental	-	3,581	3,581
Licenses and Permits	3,284	-	3,284
Miscellaneous	15,994	-	15,994
<b>TOTAL REVENUES</b>	<b>339,717</b>	<b>5,098</b>	<b>344,815</b>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
General Government	382,122	-	382,122
Public Safety	37,359	-	37,359
Public Works	59,898	90,113	150,011
Miscellaneous	13,805	-	13,805
<b>TOTAL EXPENDITURES</b>	<b>493,184</b>	<b>90,113</b>	<b>583,297</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(153,467)</b>	<b>(85,015)</b>	<b>(238,482)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfer In (Out)	114,292	111,422	225,714
<b>NET CHANGE IN FUND BALANCE</b>	<b>(39,175)</b>	<b>26,407</b>	<b>(12,768)</b>
<b>FUND BALANCES, BEGINNING</b>	<b>316,066</b>	<b>186,827</b>	
<b>FUND BALANCES, ENDING</b>	<b>\$ 276,891</b>	<b>\$ 213,234</b>	
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense.			
Capital expenditures			75,029
Depreciation expense			(17,758)
Change in Net Position of Governmental Activities			<b>\$ 44,503</b>

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

**Town of Deer Trail, Colorado**  
**Proprietary Funds**  
**Statement of Net Position**  
**December 31, 2019**

<b>ASSETS</b>	<b>WATER</b>	<b>SEWER</b>	
<b>Current Assets:</b>	<b>FUND</b>	<b>FUND</b>	<b>TOTALS</b>
Cash	\$ 310,203	\$ 248,469	\$ 558,672
Accounts Receivable	32,692	39,037	71,729
<b>Total Current Assets</b>	<u>342,895</u>	<u>287,506</u>	<u>630,401</u>
<b>Restricted Assets:</b>			
Debt Service Reserve	20,714	33,281	53,995
<b>Total Restricted Assets</b>	<u>20,714</u>	<u>33,281</u>	<u>53,995</u>
<b>Non-Current Assets:</b>			
Capital Assets:			
Land	1,500	1,500	3,000
Distribution/Collection System	1,956,421	2,430,262	4,386,683
Equipment	-	595,966	595,966
Construction in Progress	124,260	8,059	132,319
Accumulated Depreciation	<u>(911,163)</u>	<u>(1,045,724)</u>	<u>(1,956,887)</u>
<b>Total Non-Current Assets</b>	<u>1,171,018</u>	<u>1,990,063</u>	<u>3,161,081</u>
<b>TOTAL ASSETS</b>	<u>1,534,627</u>	<u>2,310,850</u>	<u>3,845,477</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Current Portion of Long-Term Debt	6,100	13,262	19,362
Accounts Payable	3,982	3,982	7,964
Accrued Liabilities	<u>5,582</u>	<u>12,482</u>	<u>18,064</u>
<b>Total Current Liabilities</b>	<u>15,664</u>	<u>29,726</u>	<u>45,390</u>
<b>Non-Current Liabilities:</b>			
Long-Term Debt - Net of Current Portion	<u>201,100</u>	<u>559,855</u>	<u>760,955</u>
<b>Total Non-Current Liabilities</b>	<u>201,100</u>	<u>559,855</u>	<u>760,955</u>
<b>TOTAL LIABILITIES</b>	<u>216,764</u>	<u>589,581</u>	<u>806,345</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	963,818	1,416,946	2,380,764
Unrestricted	<u>354,045</u>	<u>304,323</u>	<u>658,368</u>
<b>TOTAL NET POSITION</b>	<u>\$ 1,317,863</u>	<u>\$ 1,721,269</u>	<u>\$ 3,039,132</u>

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

**Town of Deer Trail, Colorado**  
**Proprietary Funds**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Net Position**  
**For the Year Ended December 31, 2019**

	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>TOTAL</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 149,636	\$ 127,767	\$ 277,403
<b>Total Operating Revenues</b>	<u>149,636</u>	<u>127,767</u>	<u>277,403</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	22,295	22,294	44,589
Supplies and Office Expenses	14,560	-	14,560
Utilities	15,896	15,896	31,792
Repairs and Maintenance	19,436	21,654	41,090
Professional Fees	10,773	7,628	18,401
Other	25,878	70,768	96,646
Depreciation	<u>40,141</u>	<u>70,081</u>	<u>110,222</u>
<b>Total Operating Expenses</b>	<u>148,979</u>	<u>208,321</u>	<u>357,300</u>
<b>Income (Loss) From Operations</b>	<u>657</u>	<u>(80,554)</u>	<u>(79,897)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Activation and Tap Fees	281,687	306,837	588,524
Miscellaneous	74,911	(24,259)	50,652
Investment Earnings	-	58	58
Interest Expense	<u>(9,780)</u>	<u>(23,531)</u>	<u>(33,311)</u>
Total Non-Operating Revenues (Expenses)	<u>346,818</u>	<u>259,105</u>	<u>605,923</u>
<b>Net Income Before Contributions and Transfers</b>	<u>347,475</u>	<u>178,551</u>	<u>526,026</u>
Contributions	560,000	840,000	1,400,000
Transfers In (Out)	<u>(170,053)</u>	<u>(55,661)</u>	<u>(225,714)</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 737,422</u>	<u>\$ 962,890</u>	<u>\$ 1,700,312</u>
<b>NET POSITION, BEGINNING OF YEAR-AS RESTATED</b>	<u>580,441</u>	<u>758,379</u>	<u>1,338,820</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 1,317,863</u>	<u>\$ 1,721,269</u>	<u>\$ 3,039,132</u>

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

# Town of Deer Trail, Colorado

## Proprietary Funds Statement of Cash Flows

For the Year Ended December 31, 2019

	WATER FUND	SEWER FUND	TOTALS
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts From Customers	\$ 141,387	\$ 110,809	\$ 252,196
Payments to Suppliers for Goods and Services	(138,766)	(171,186)	(309,952)
Payments to Employees	(22,295)	(22,294)	(44,589)
<b>Net Cash From Operating Activities</b>	<b>(19,674)</b>	<b>(82,671)</b>	<b>(102,345)</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Transfers (To) From Other Fund	(170,053)	(55,661)	(225,714)
Contributions	560,000	840,000	1,400,000
<b>Net Cash From Non-Capital Financing Activities</b>	<b>389,947</b>	<b>784,339</b>	<b>1,174,286</b>
<b>CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES:</b>			
Tap Fees	281,687	306,837	588,524
Other	74,911	(24,259)	50,652
Transfers (to) Restricted Assets	(23)	(36)	(59)
Purchase of Assets	(639,730)	(848,059)	(1,487,789)
Interest Paid	(9,780)	(23,531)	(33,311)
Debt Principal Payments	(5,900)	(12,723)	(18,623)
<b>Net Cash From Capital and Financing Activities</b>	<b>(298,835)</b>	<b>(601,771)</b>	<b>(900,606)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest Revenue	-	58	58
<b>Net Cash From Investing Activities</b>	<b>-</b>	<b>58</b>	<b>58</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>71,438</b>	<b>99,955</b>	<b>171,393</b>
<b>CASH AND CASH EQUIVALENTS</b>			
<b>Beginning of Year</b>	<b>238,765</b>	<b>148,514</b>	<b>387,279</b>
<b>End of Year</b>	<b>\$ 310,203</b>	<b>\$ 248,469</b>	<b>\$ 558,672</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities</b>			
Net Operating Income (Loss)	\$ 657	\$ (80,554)	\$ (79,897)
Depreciation	40,141	70,081	110,222
(Increase) Decrease in Accounts Receivable, Net	(6,306)	(16,958)	(23,264)
Increase (Decrease) in Accounts Payable	(52,223)	(53,056)	(105,279)
Increase (Decrease) in Accrued Liabilities	(1,943)	(2,184)	(4,127)
<b>Net Cash From Operating Activities</b>	<b>\$ (19,674)</b>	<b>\$ (82,671)</b>	<b>\$ (102,345)</b>

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

# **Town of Deer Trail, Colorado**

## **Notes to Financial Statements**

### **December 31, 2019**

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## **1. Summary of Significant Accounting Policies**

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The Town of Deer Trail (the Town) operates under a council-mayor form of government and maintains accounting policies to conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

### **Reporting Entity**

The financial reports of the Town include all of the integral parts of the Town's operations. The Town has no component units using the criteria as set forth in generally accepted accounting principles.

### **Fund Accounting**

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town reports the following major governmental funds:

**General Fund** - The general fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

**Proprietary Funds** – Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (including depreciation) of providing goods or service to the general public on a continuing basis be financed or recovered primarily through user charges. Proprietary funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

The Town of Deer Trail operates the Water and Sewer Utilities on this basis.

### **Government-wide and Fund Financial Statements**

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**1. Summary of Significant Accounting Policies (continued)**

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The statement of activities demonstrates the degree to which the direct expenses of a given function or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual government funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**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 and fiduciary 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 and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been 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 to be available when they are collectible within the current period or soon enough thereafter, to pay liabilities of the current period. For this purpose, the government considers revenues to be recognizable when received. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, 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. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. Sales tax collected and held by vendors at year end on behalf of the Town is also recognized as revenue if collected within 30 days after year end. Expenditure-driven grants are recognized as revenue when qualifying expenditures have been incurred and all other grant requirements have been met.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**1. Summary of Significant Accounting Policies (continued)**

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Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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 ongoing operations. The principal operating revenues of the Proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Equity**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- *Restricted fund balance* - The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.
- *Committed fund balance* - The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Trustees. The constraint may be removed or changed only through formal action of the Board of Trustees.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**1. Summary of Significant Accounting Policies (continued)**

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- *Assigned fund balance* - The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Trustees to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.
  
- *Unassigned fund balance* - The residual portion of fund balance that does not meet any of the criteria described above. If more than one classification of fund balance is available for use when an expenditure is incurred, it is the Town's policy to use the most restrictive classification first.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. streets, bridges, sidewalks, 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 government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Donated or contributed fixed assets are recorded at their estimated fair value on the date received.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation of buildings, plants, and machinery and equipment is computed using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10 to 40 years
Utility Systems	25 to 50 years
Equipment and Vehicles	5 to 15 years
Infrastructure	25 to 50 years

**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 government activities, business-type activities, or proprietary fund type statement of net position.

**Budget and Budgetary Accounting**

On or prior to October 15, the Town Clerk submits to the Town Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**1. Summary of Significant Accounting Policies (continued)**

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Public hearings are conducted to obtain taxpayer comments.

Prior to January 1, the budget is legally enacted through the passage of an ordinance. Amendments can be made until year end.

Budgets for governmental and pension funds are adopted on a basis consistent with generally accepted accounting principles. Budgets for the Proprietary funds are adopted to fulfill statutory requirements and are prepared on an appropriation basis. Principally, the appropriation basis of budgeting provides for a full accrual basis of accounting, loans and reimbursements received, note receivable principal, capital expenditures and bond principal payments, but does not provide for depreciation and amortization. For 2019 the Town Board budgeted all funds and appropriated spending limits by fund. Therefore, the comparisons of actual and budget amounts relating to legal requirements shown in the financial statements is based on “total expenditures” plus “operating transfers to other funds” in the various fund types. All appropriations lapse at year end.

In 2019, the Town’s expenditures exceeded budgeted appropriations, which may be a violation of State statutes.

**Cash and Investments**

Cash includes interest-bearing demand deposits (checking and money-market accounts), as well as short-term investments with a maturity date within three months of the date acquired.

Investments are stated at cost, except for marketable debt and equity security investments of the pension trust, which are valued at market. State statutes authorize the allowable type of investments, which are detailed in Note 2.

**Property Taxes**

Annual property taxes are levied and assessed on January 1 and are certified to the County by December 15 of the current year. On January 1 of the following year, the County Treasurer bills the property owners, thus establishing an enforceable lien on the property. The County Treasurer also collects the property taxes and remits the collections on a monthly basis to the Town.

The Town recognizes a receivable for property tax levies upon certification by the County Treasurer. A deferred revenue liability is recorded in the same amount since the taxes are not available at year end to fund expenditures of the current year. They are recognized as revenue when collected in the following year.

Property taxes are computed using mills, where one mill is equal to \$1 on \$1,000 of assessed value. The mill levy for 2019 was 15.052.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**1. Summary of Significant Accounting Policies (continued)**

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**Compensated Absences**

All full-time Town employees accumulate sick leave for subsequent use. These accumulations are paid out at half the employees rate.

Employees also receive noncumulative vacation leave that is paid out in full. The Town has an accrued sick and vacation balance of \$1,068 as of December 31, 2019.

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**2. Cash and Investments**

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For the purpose of the statement of cash flows, the Town considers all highly liquid investments (excluding restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Cash Deposits – The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The State Regulatory Commissions for banks and savings and loan associations are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. 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 has a policy of limiting custodial credit risks by assuring that deposits are only made in eligible public depositories. As of December 31, 2019, none of the Town's deposits are deemed to be exposed to custodial credit risk.

The Town's cash deposits at December 31, 2019 was \$1,114,569 which include cash and cash equivalents, and restricted assets in the primary government Statement of Net Position.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**2. Cash and Investments (continued)**

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Cash balances are as follows:

	Bank Balance	Carrying Balance
Insured (FDIC)	\$ 311,523	\$ 311,425
Collateralized by securities held by the pledging financial institution's trust department or agent in the Town's name	850,674	803,144
Total cash and certificates of deposit	\$ 1,162,197	\$ 1,114,569

The difference between the bank balance and carrying balance is \$47,628, which were outstanding checks that had not cleared the banks as of December 31, 2019.

Investments - Colorado statutes specify in which instruments the local government may invest, which include:

1. Repurchase agreements in obligations of the United States;
2. Obligations of the United States or obligations unconditionally guaranteed by the United States;
3. General obligation or revenue bonds of any state, District of Columbia, US territory or any of their subdivisions, with certain limitations;
4. Bankers acceptance issued by a state or national bank, with certain limitations;
5. Commercial paper, with certain limitations;
6. Any obligation, certificate of participation or lease/purchase of the investing public entity;
7. Money market funds, with certain limitations, which invest in the types of securities listed above;
8. Guaranteed investment contracts, with other certain limitations;
9. Participation with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments, and must comply with the same restrictions on cash deposits and investments. These trusts are "COLOTRUST" and "CSAFE".

The Town's only investments are in bank savings and local governments pooled investment funds, which are included in cash and cash equivalents.

Interest Rate Risk – The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**2. Cash and Investments (continued)**

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Credit Risk – The Town does not have a formal investment policy that would further limit its investment choices beyond those listed above which are approved by Colorado Statutes.

As of December 31, 2019, the Town had \$61,425 invested in the Colorado Liquid Asset Trust (COLOTRUST), and SEC Rule 2a-7-like investment pool. Investments are valued at amortized cost with each share valued at \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. COLOTRUST is rated AAAM by Standard & Poor’s. COLOTRUST records its investments at fair value and the Town records its investments in COLOTRUST using the net asset value method.

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**3. Restricted Assets**

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Restricted assets are for the following purposes:

Water Fund – reserve of \$20,714, as required by the Series 2000 loan from Rural Utilities Service. This balance is held in a bank savings account at December 31, 2019.

Sewer Fund – reserve of \$33,281, as required by the Series 2005 Sewer Revenue Bonds. This balance is held in a bank savings account at December 31, 2019.

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**4. Capital Assets**

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Capital asset activity for the year was as follows:

	Balance December 31, 2018	Additions	Conveyances or Retirements	Balance December 31, 2019
Governmental activities:				
Depreciable assets:				
Buildings and improvements	653,200	-	-	653,200
Infrastructure	207,218	-	-	207,218
Equipment and vehicles	<u>194,697</u>	<u>75,029</u>	-	<u>269,726</u>
Total depreciable assets	<u>1,055,115</u>	<u>75,029</u>	-	<u>1,130,144</u>
Less accumulated depreciation for:				
Buildings and improvements	(574,980)	(5,820)	-	(580,800)
Infrastructure	(59,260)	(5,168)	-	(64,428)
Equipment and vehicles	<u>(179,549)</u>	<u>(6,770)</u>	-	<u>(186,319)</u>
Total accumulated depreciation	<u>(813,789)</u>	<u>(17,758)</u>	-	<u>(831,547)</u>
Governmental activities assets, net	<u>\$ 241,326</u>	<u>\$ 57,271</u>	<u>\$ -</u>	<u>\$ 298,597</u>

In 2019, depreciation expense of \$17,758 was charged to Public Works.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**4. Capital Assets (continued)**

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	Balance December 31, 2018 (as restated)	Additions	Conveyances or Retirements	Balance December 31, 2019
Business-type activities:				
Non-depreciable assets:				
Land	\$ 3,000	\$ -	\$ -	\$ 3,000
Construction in progress	44,530	87,789		132,319
Depreciable assets:				
Distribution/collection system	2,986,683	1,400,000	-	4,386,683
Equipment	<u>595,966</u>	<u>-</u>	<u>-</u>	<u>595,966</u>
Total capital assets	<u>3,630,179</u>	<u>1,487,789</u>	<u>-</u>	<u>5,117,968</u>
Less Accumulated depreciation for:				
Distribution/collection system	(1,427,614)	(97,398)	-	(1,525,012)
Equipment	<u>(419,051)</u>	<u>(12,824)</u>	<u>-</u>	<u>(431,875)</u>
Total accumulated depreciation	<u>(1,846,665)</u>	<u>(110,222)</u>	<u>-</u>	<u>(1,956,887)</u>
Business-type activities assets, net	<u>\$ 1,783,514</u>	<u>\$ 1,377,567</u>	<u>\$ -</u>	<u>\$ 3,161,081</u>

In 2019, depreciation expense of \$40,141 was charged to the Water Fund and \$70,081 was charged to the Sewer Fund.

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**5. Contingency—Constitutional Amendment**

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In November 1992, the Colorado voters passed a constitutional amendment (TABOR Amendment) to the State Constitution (Article X, Section 20) which requires voter approval for any increases in mill levies, revenue limits, spending limits and creation of multi-year debt. In addition, the amendment requires that a reserve be established for emergencies of 3% in 1995 and thereafter.

The Town has reserved \$14,796 within the General Fund for the emergency reserve under the TABOR amendment.

In 1998, the voters of the Town approved a referendum allowing the Town to collect, retain and expend the full proceeds of the Town's taxes, fees and other revenues received without increasing or adding taxes of any kind.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**5. Contingency—Constitutional Amendment (continued)**

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The Town believes that it is in compliance with the provisions of the TABOR Amendment. However, many provisions of the TABOR Amendment are complex and subject to further interpretation and will require judicial interpretation.

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**6. Long-Term Debt**

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**Series 2005 Sewer Revenue Bonds** – The Town issued bonds where the government pledges income derived from customer revenues, net of operating expenses, to repay the debt. Proceeds from the debt provided financing for various improvements. Annual principal and interest payments on the bonds are expected to require approximately 36% of sewer revenues. The bonds have an interest rate of 4.125% and are payable through 2045.

**Series 2000 Rural Utilities Service Loan** – The Town issued bonds where the government pledges income derived from customer revenues, net of operating expenses, to repay the debt. Proceeds from the debt provided financing for various improvements. Annual principal and interest payments on the bonds are expected to require approximately 19% of water revenues. The bonds have an interest rate of 4.75% and are payable through 2040.

During 2019 principal payments of \$18,623 were made. Additionally, interest payments totaling \$33,311 were made, which are included as a direct expense under Water in the Statement of Activities.

Annual debt service requirements are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 19,362	\$ 33,276	\$ 52,639
2021	20,315	32,429	52,744
2022	21,091	31,542	52,633
2023	22,091	30,620	52,710
2024	22,015	29,653	52,668
2025-2029	131,097	132,257	263,354
2030-2034	162,518	100,937	263,455
2035-2039	201,273	62,079	263,352
2040-2044	171,389	20,948	192,337
2045	8,165	168	8,333
	\$ 780,317	\$ 473,910	\$ 1,306,897

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**6. Long-Term Debt (continued)**

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Total changes in Long-Term Liabilities during 2019 are as follows:

	Balance December 31, 2018	Additions	Payments	Balance December 31, 2019	Due Within One Year
Business-type activities:					
Bonds payable:					
2000 RUS Loan - Water	\$ 213,100	\$ -	\$ (5,900)	\$ 207,200	\$ 6,100
Series 2005 Sewer Bonds	<u>585,840</u>	<u>-</u>	<u>(12,723)</u>	<u>573,117</u>	<u>13,262</u>
Total long-term liabilities	<u>\$ 798,940</u>	<u>\$ -</u>	<u>\$ (18,623)</u>	<u>\$ 780,317</u>	<u>\$ 19,362</u>

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**7. Risk Management**

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The Town is exposed to various risks of loss to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters.

**Property, Casualty, Errors and Omissions and Liability Insurance**

The Town is exposed to various risks of loss related to property, casualty, errors and omissions and liability losses. In 1986 due to the excessive cost of this insurance, the Town joined together with other cities and towns in the State of Colorado to form the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a public entity risk pool currently operating as a common risk management and insurance program for members. The Town pays an annual contribution to CIRSA for its insurance coverage. The member agreement provides that the pool will be self-sustaining through member contributions and additional assessments, if necessary, and the pool will purchase excess insurance through commercial companies for member's claims in excess of a specified self insurance retention, which is determined each policy year.

During 2019 the Town paid approximately \$16,251 for insurance coverage to the pool which is included in the operating expense of the general and enterprise funds.

**Town of Deer Trail, Colorado**  
**Notes to Financial Statements (continued)**  
**December 31, 2019**

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**8. Subsequent Event**

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On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which may negatively impact operations of the Town. Other financial impacts could occur, though such potential impact is unknown at this time.

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**9. Restatement**

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During 2018, a construction in progress asset was expensed rather than capitalized. This caused the beginning balance net position of the Water Fund to be restated:

	December 31, 2018		December 31, 2018	
	As Originally Restated	Restatement	As Restated	
Construction in Progress	\$ -	\$ 44,530	\$ 44,530	
Operating Expenses	\$ 457,124	\$ (44,530)	\$ 412,594	
Net Position – Water Fund	\$ 535,911	\$ 44,530	\$ 580,441	

**Town of Deer Trail, Colorado**

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**Required Supplementary Information**

**Town of Deer Trail, Colorado**  
**General Fund**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balances—Budget and Actual**  
**For the Year Ended December 31, 2019**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
Taxes	\$ 154,500	\$ 154,500	\$ 140,154	\$ (14,346)
Charges for Services	3,000	3,000	180,285	177,285
Licenses and Permits	132,500	132,500	3,284	(129,216)
Miscellaneous	<u>2,600</u>	<u>2,600</u>	<u>15,994</u>	<u>13,394</u>
<b>TOTAL REVENUES</b>	<u>292,600</u>	<u>292,600</u>	<u>339,717</u>	<u>47,117</u>
<b>EXPENDITURES</b>				
Current:				
General Government	188,500	188,500	382,122	(193,622)
Public Safety	27,600	27,600	37,359	(9,759)
Public Works	21,700	21,700	59,898	(38,198)
Miscellaneous	<u>16,100</u>	<u>16,100</u>	<u>13,805</u>	<u>2,295</u>
<b>TOTAL EXPENDITURES</b>	<u>253,900</u>	<u>253,900</u>	<u>493,184</u>	<u>(239,284)</u>
<b>EXCESS OF REVENUES OVER</b>				
<b>(UNDER) EXPENDITURES</b>	38,700	38,700	(153,467)	(192,167)
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Operating Transfers In (Out)	<u>-</u>	<u>-</u>	<u>114,292</u>	<u>114,292</u>
<b>NET CHANGE IN FUND BALANCE</b>	38,700	38,700	(39,175)	(77,875)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>206,036</u>	<u>206,036</u>	<u>316,066</u>	<u>110,030</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 244,736</u>	<u>\$ 244,736</u>	<u>\$ 276,891</u>	<u>\$ 32,155</u>

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

**Town of Deer Trail, Colorado**

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**Other Supplementary Information**

# Town of Deer Trail, Colorado

## Combining Balance Sheet Nonmajor Governmental Funds December 31, 2019

	<b>CONSERVATION TRUST FUND</b>	<b>OPEN SPACE FUND</b>	<b>TOTALS</b>
<b>ASSETS:</b>			
Cash	\$ 67,664	\$ 145,570	\$ 213,234
<b>TOTAL ASSETS</b>	<u>\$ 67,664</u>	<u>\$ 145,570</u>	<u>\$ 213,234</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts Payable	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted - Conservation Trust Funds	67,664	-	67,664
Assigned - Open Space	-	145,570	145,570
<b>TOTAL FUND BALANCES</b>	<u>67,664</u>	<u>145,570</u>	<u>213,234</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 67,664</u>	<u>\$ 145,570</u>	<u>\$ 213,234</u>

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

**Town of Deer Trail, Colorado**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended December 31, 2019**

	<u>CONSERVATION TRUST FUND</u>	<u>OPEN SPACE FUND</u>	<u>TOTALS</u>
<b>REVENUES:</b>			
Intergovernmental	\$ 3,581	\$ -	\$ 3,581
Charges for Service	<u>1,353</u>	<u>164</u>	<u>1,517</u>
<b>TOTAL REVENUES</b>	<u>4,934</u>	<u>164</u>	<u>5,098</u>
<b>EXPENDITURES:</b>			
Culture and Recreation	<u>6,823</u>	<u>83,290</u>	<u>90,113</u>
<b>TOTAL EXPENDITURES</b>	<u>6,823</u>	<u>83,290</u>	<u>90,113</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,889)	(83,126)	(85,015)
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In (Out)	<u>9,894</u>	<u>101,528</u>	<u>111,422</u>
<b>NET CHANGE IN FUND BALANCE</b>	8,005	18,402	26,407
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>59,659</u>	<u>127,168</u>	<u>186,827</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 67,664</u>	<u>\$ 145,570</u>	<u>\$ 213,234</u>

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

**Town of Deer Trail, Colorado**  
**Conservation Trust Fund**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balances—Budget and Actual**  
**For the Year Ended December 31, 2019**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
<b>REVENUES:</b>				
Intergovernmental - State	\$ -	\$ -	\$ 3,581	\$ 3,581
Charges for Service	<u>-</u>	<u>-</u>	<u>1,353</u>	<u>1,353</u>
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>4,934</u>	<u>4,934</u>
<b>EXPENDITURES:</b>				
Operating				
Recreation	<u>-</u>	<u>-</u>	<u>6,823</u>	<u>(6,823)</u>
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>6,823</u>	<u>(6,823)</u>
<b>EXCESS OF REVENUES OVER</b>				
<b>(UNDER) EXPENDITURES</b>	-	-	(1,889)	(1,889)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>9,894</u>	<u>9,894</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	8,005	8,005
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>32,498</u>	<u>32,498</u>	<u>59,659</u>	<u>27,161</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 32,498</u>	<u>\$ 32,498</u>	<u>\$ 67,664</u>	<u>\$ 35,166</u>

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

**Town of Deer Trail, Colorado**  
**Open Space Fund**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balances - Budget and Actual**  
**For the Year Ended December 31, 2019**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for Service	<u>-</u>	<u>-</u>	<u>164</u>	<u>164</u>
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>164</u>	<u>164</u>
<b>EXPENDITURES:</b>				
Culture and Recreation	<u>-</u>	<u>-</u>	<u>83,290</u>	<u>(83,290)</u>
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>83,290</u>	<u>(83,290)</u>
<b>EXCESS OF REVENUES OVER</b>				
<b>(UNDER) EXPENDITURES</b>	-	-	(83,126)	(83,126)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In (Out)	<u>-</u>	<u>-</u>	<u>101,528</u>	<u>101,528</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	18,402	18,402
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>73,375</u>	<u>73,375</u>	<u>127,168</u>	<u>53,793</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 73,375</u>	<u>\$ 73,375</u>	<u>\$ 145,570</u>	<u>\$ 72,195</u>

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

**Town of Deer Trail, Colorado**  
**Water Fund**  
**Schedule of Revenues, Expenditures**  
**And Changes in Net Position—Budget and Actual**  
**For the Year Ended December 31, 2019**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>(NEGATIVE)</b>
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 163,400	\$ 163,400	\$ 149,636	\$ (13,764)
<b>Total Operating Revenues</b>	<b>163,400</b>	<b>163,400</b>	<b>149,636</b>	<b>(13,764)</b>
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	64,000	64,000	22,295	41,705
Supplies and Office Expenses	7,450	7,450	14,560	(7,110)
Utilities	16,400	16,400	15,896	504
Repairs and Maintenance	70,900	70,900	19,436	51,464
Professional Fees	14,650	14,650	10,773	3,877
Insurance	4,700	4,700	-	4,700
Capital improvements	-	-	639,730	(639,730)
Other	-	-	25,878	(25,878)
<b>Total Operating Expenses</b>	<b>178,100</b>	<b>178,100</b>	<b>748,568</b>	<b>(570,468)</b>
<b>Income (Loss) From Operations</b>	<b>(14,700)</b>	<b>(14,700)</b>	<b>(598,932)</b>	<b>(584,232)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Activation and Tap Fees	180,000	180,000	281,687	101,687
Miscellaneous	-	-	74,911	74,911
Principal Payments	-	-	(5,900)	(5,900)
Interest Expense	-	-	(9,780)	(9,780)
Total Non-Operating Revenues (Expenses)	<b>180,000</b>	<b>180,000</b>	<b>340,918</b>	<b>160,918</b>
<b>Net Income Before Contributions and Transfers</b>	<b>165,300</b>	<b>165,300</b>	<b>(258,014)</b>	<b>(423,314)</b>
Transfers In (Out)	-	-	(170,053)	(170,053)
Contributions	-	-	560,000	560,000
<b>CHANGE IN NET POSITION</b>	<b>\$ 165,300</b>	<b>\$ 165,300</b>	<b>131,933</b>	<b>\$ (33,367)</b>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Principal Payments			5,900	
Depreciation and Amortization			(40,141)	
Capital outlay			639,730	
<b>Change in Net Position GAAP</b>			<b>\$ 737,422</b>	

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

**Town of Deer Trail, Colorado**  
**Sewer Fund**  
**Schedule of Revenues, Expenditures**  
**And Changes in Net Position—Budget and Actual**  
**For the Year Ended December 31, 2019**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 123,400	\$ 123,400	\$ 127,767	\$ 4,367
<b>Total Operating Revenues</b>	<u>123,400</u>	<u>123,400</u>	<u>127,767</u>	<u>4,367</u>
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	64,000	64,000	22,294	41,706
Utilities	16,400	16,400	15,896	504
Repairs and Maintenance	83,400	83,400	21,654	61,746
Professional Fees	14,650	14,650	7,628	7,022
Insurance	4,700	4,700	-	4,700
Capital improvements	-	-	848,059	(848,059)
Other	<u>7,250</u>	<u>7,250</u>	<u>70,768</u>	<u>(63,518)</u>
<b>Total Operating Expenses</b>	<u>190,400</u>	<u>190,400</u>	<u>986,299</u>	<u>(795,899)</u>
<b>Income (Loss) From Operations</b>	(67,000)	(67,000)	(858,532)	(791,532)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Activation and Tap Fees	180,000	180,000	306,837	126,837
Investment Earnings	-	-	58	58
Miscellaneous	-	-	(24,259)	(24,259)
Principal Payments	-	-	(12,723)	(12,723)
Interest Expense	<u>-</u>	<u>-</u>	<u>(23,531)</u>	<u>(23,531)</u>
Total Non-Operating Revenues (Expenses)	<u>180,000</u>	<u>180,000</u>	<u>246,382</u>	<u>66,382</u>
<b>Net Income Before Contributions and Transfers</b>	<u>113,000</u>	<u>113,000</u>	<u>(612,150)</u>	<u>(725,150)</u>
Transfers In (Out)	-	-	(55,661)	(55,661)
Contributions	<u>-</u>	<u>-</u>	<u>840,000</u>	<u>840,000</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 113,000</u>	<u>\$ 113,000</u>	172,189	<u>\$ 59,189</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Principal Payments			12,723	
Depreciation and Amortization			(70,081)	
Capital outlay			<u>848,059</u>	
<b>Change in Net Position GAAP</b>			<u>\$ 962,890</u>	

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

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Deer Trail
		YEAR ENDING : December 2019
This Information From The Records Of (example - City of _ or County of _) Town of Deer Trail	Prepared By: Phone:	Candice Reed 303-769-4464

**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**

ITEM	AMOUNT
<b>A. Receipts from local sources:</b>	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	90,085
4. Miscellaneous local receipts (from page 2)	24,005
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	114,090
<b>B. Private Contributions</b>	
<b>C. Receipts from State government</b> (from page 2)	45,462
<b>D. Receipts from Federal Government</b> (from page 2)	0
<b>E. Total receipts (A.7 + B + C + D)</b>	159,552

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT
<b>A. Local highway disbursements:</b>	
1. Capital outlay (from page 2)	0
2. Maintenance:	37,825
3. Road and street services:	
a. Traffic control operations	4,470
b. Snow and ice removal	9,214
c. Other	12,528
d. Total (a. through c.)	26,212
4. General administration & miscellaneous	0
5. Highway law enforcement and safety	19,495
6. Total (1 through 5)	83,532
<b>B. Debt service on local obligations:</b>	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
<b>C. Payments to State for highways</b>	
<b>D. Payments to toll facilities</b>	
<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	83,532

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>	798,940		18,623	780,317

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	100,333	159,552	83,532	176,353	0

**Notes and Comments:**

Other Road and Street Services is Street Lighting of \$12,528

**LOCAL HIGHWAY FINANCE REPORT**

STATE:  
Colorado  
YEAR ENDING (mm/yy):  
December 2019

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	81,088	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	8,997	g. Other Misc. Receipts	
6. Total (1. through 5.)	8,997	h. Other Franchise fees	24,005
c. Total (a. + b.)	90,085	i. Total (a. through h.)	24,005
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	45,462	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	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations		d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	0	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	45,462	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)
<b>A.1. Capital outlay:</b>			
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 & Operatiior			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments: