
Town of Orchard City
Financial Statements and Report of
Independent Certified Public Accountants
as of
December 31, 2019

Town of Orchard City
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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Orchard City, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Town of Orchard City, 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 Orchard City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3–10 and 32-35 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Orchard City, Colorado's basic financial statements. The Statement and Schedules of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual for the Conservation Trust Fund and Enterprise funds and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Statement and Schedules of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual for the Conservation Trust Fund and Enterprise funds 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 Statement and Schedules of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual for the Conservation Trust Fund and Enterprise funds and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Blair and Associates, P.C.

Cedaredge, Colorado
June 25, 2020

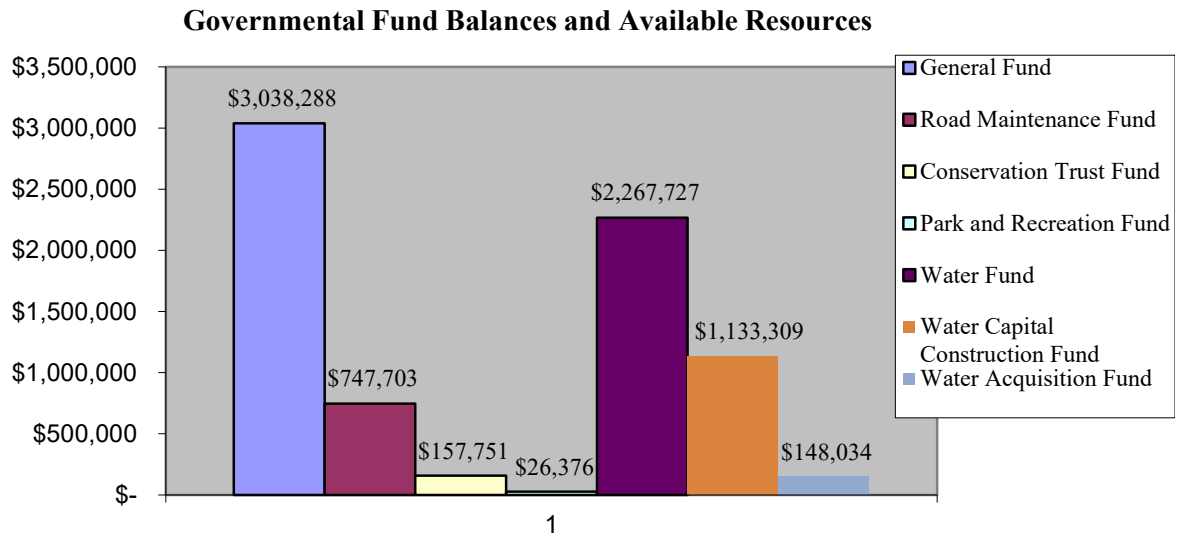
Management's Discussion and Analysis

As management of the Town of Orchard City, we offer readers of the Town of Orchard City Financial statements, this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the Town of Orchard City.

FINANCIAL HIGHLIGHTS

- Town of Orchard City is in healthy financial condition.

See Governmental Fund Balances and Available Resources chart.



- Orchard City's net position amounted to \$ 18,494,697 (*refer to statement of activities*) at the end of the year, a reported increase of \$ 552,226 for the fiscal year.
- Governmental funds reported combined ending fund balances of \$ 3,970,118 (*refer to statement of revenues, expenditures, and changes in fund balances*), a reported increase of \$ 260,604 for the fiscal year.
- Orchard City's unassigned fund balance for the general fund was \$ 3,026,932 (*refer to balance sheet*), an increase of \$ 180,784 in comparison to the prior year.
- At December 31, 2019, the Town's General fund did have \$ 11,356 reserved for emergencies which was the balance equal to at least 3% of the general fund appropriations as the required state mandated emergency reserve.
- The Town has one long-term liability for compensated absences of \$ 19,698.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private sector business.

The statement of net position presents information on all assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities). The governmental activities include general government, public works, and culture and recreation. The business type activities include water activities.

Fund financial statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The Town funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditure and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The governmental funds are separated into following major funds: General, Road Maintenance and Park and Recreation Funds.

An annual appropriated budget is adopted for all governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

Proprietary funds

Proprietary funds are maintained as follows:

Enterprise funds are mirrored to report the same functions presented as business-type activities in the government wide financial statements, only in more detail. The enterprise fund is used to account for water operations. The proprietary fund financial statements provide separate information for water operations which are considered to be a major fund.

Notes to financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by the Governmental Accounting Standards Board.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

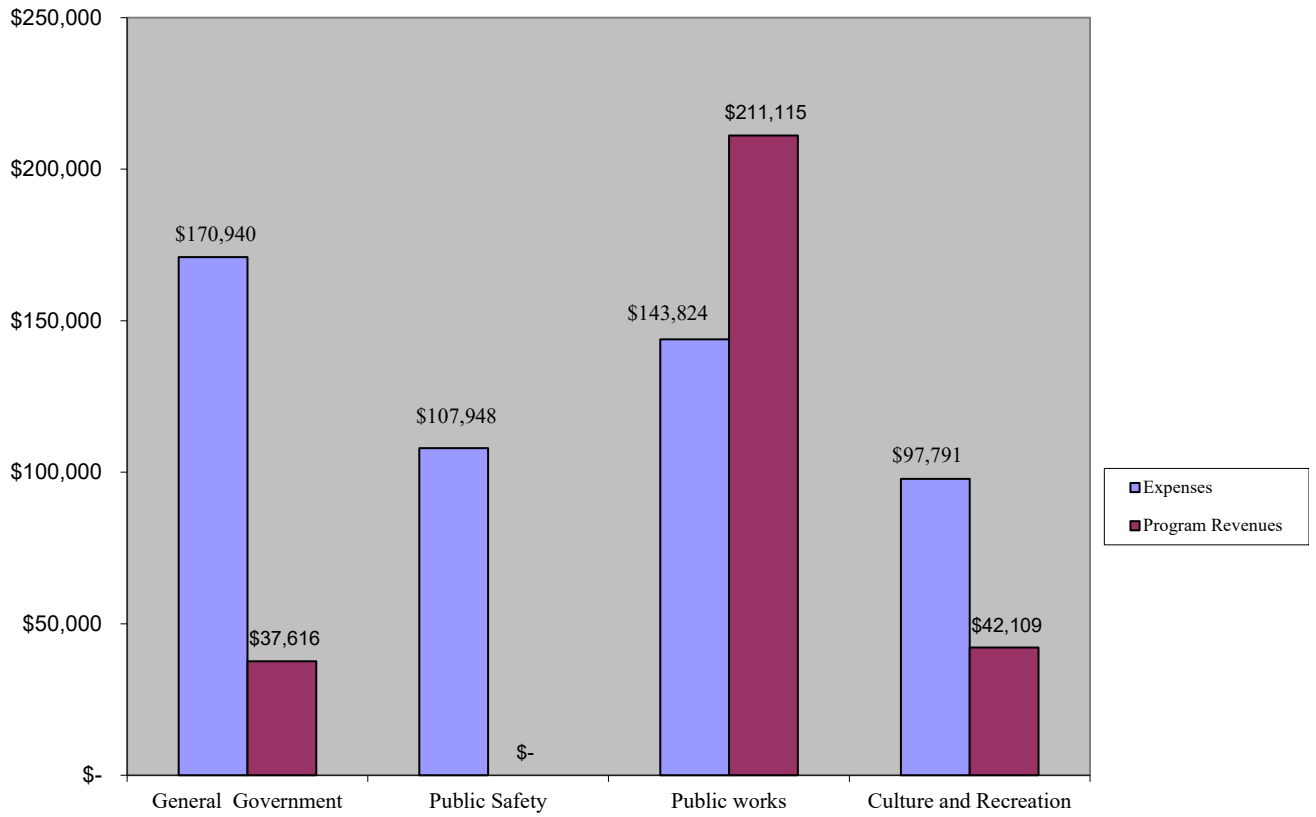
The following table summarizes the Town's governmental and business type net position for 2019 and 2018.

	Governmental Activities 2019	Governmental Activities 2018	Business Type Activities 2019	Business Type Activities 2018	Totals 2019	Totals 2018
Assets						
Current and other assets	\$ 3,972,203	\$ 3,725,926	\$ 3,569,597	\$ 3,543,931	\$ 7,541,800	\$ 7,269,857
Capital assets	3,040,738	3,063,025	7,954,469	7,647,656	10,995,207	10,710,681
Total assets	<u>\$ 7,012,941</u>	<u>\$ 6,788,951</u>	<u>\$ 11,524,066</u>	<u>\$ 11,191,587</u>	<u>\$ 18,537,007</u>	<u>\$ 17,980,538</u>
Current Liabilities	\$ 2,085	\$ 16,412	\$ 20,527	\$ 1,617	\$ 22,612	\$ 18,029
Non-current liabilities						
Compensated absences	19,698	20,038	-	-	19,698	20,038
Total liabilities	<u>21,783</u>	<u>36,450</u>	<u>20,527</u>	<u>1,617</u>	<u>42,310</u>	<u>38,067</u>
Net Position						
Investment in capital assets, net of related debt	3,040,738	3,063,025	7,954,469	7,647,656	10,995,207	10,710,681
Restricted	22,450	18,949	-	-	22,450	18,949
Unrestricted	3,927,970	3,670,527	3,549,070	3,542,314	7,477,040	7,212,841
Total net position	<u>\$ 6,991,158</u>	<u>\$ 6,752,501</u>	<u>\$ 11,503,539</u>	<u>\$ 11,189,970</u>	<u>\$ 18,494,697</u>	<u>\$ 17,942,471</u>

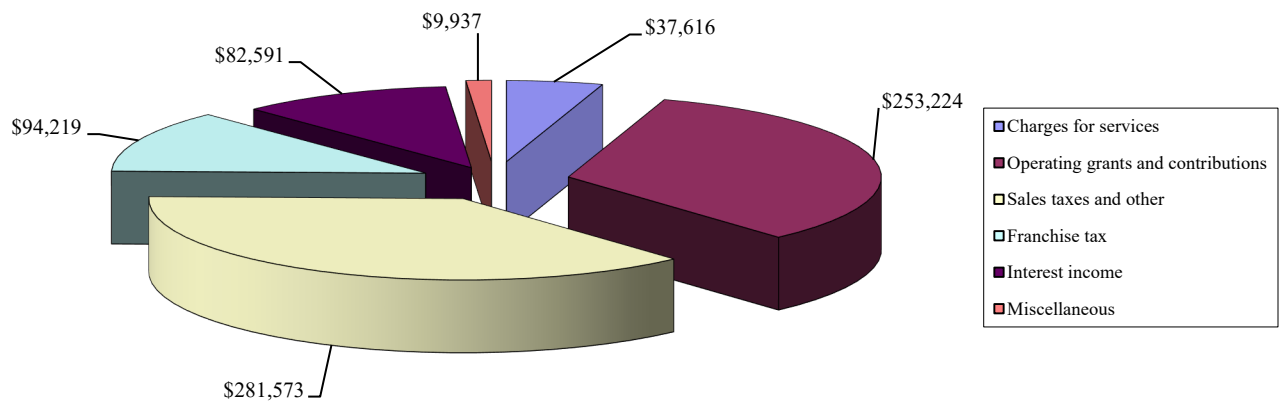
At the close of 2019 total net position was \$ 18,484,697, an increase of \$ 552,226 from prior year. In governmental activities the largest portion of assets are in cash and cash equivalents and capital assets of \$3,920,322 and \$3,040,738 respectfully, (99% of total net position). An additional portion of net position, \$ 22,450, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$ 7,477,040 (40% of net position), may be used to meet the government's ongoing obligations to citizens and creditors.

	Governmental Activities 2019	Governmental Activities 2018	Business Type Activities 2019	Business Type Activities 2018	Total 2019	Total 2018
Revenues						
Program revenues						
Charges for services	\$ 37,616	\$ 19,206	\$ 1,036,801	\$ 1,244,899	\$ 1,074,417	\$ 1,264,105
Operating grants	253,224	242,911	-	-	253,224	242,911
Capital grants/contributions	-	-	84,500	26,000	84,500	26,000
General Revenues						
Sales taxes and other	281,573	243,834	-	-	281,573	243,834
Franchise taxes	94,219	92,477	-	-	94,219	92,477
Interest income	82,591	28,791	74,558	26,421	157,149	55,212
Miscellaneous	9,937	11,500	10,388	6,672	20,325	18,172
Totals	<u>759,160</u>	<u>638,719</u>	<u>1,206,247</u>	<u>1,303,992</u>	<u>1,965,407</u>	<u>1,942,711</u>
Expenses						
General government	170,940	181,783			170,940	181,783
Public safety	107,948	62,779			107,948	62,779
Public works	143,824	118,573	892,678	891,710	1,036,502	1,010,283
Culture and recreation	97,791	87,770			97,791	87,770
Total expenses	<u>520,503</u>	<u>450,905</u>	<u>892,678</u>	<u>891,710</u>	<u>1,413,181</u>	<u>1,342,615</u>
Increase in net assets	238,657	187,814	313,569	412,282	552,226	600,096
Beginning	<u>6,752,501</u>	<u>6,564,687</u>	<u>11,189,970</u>	<u>10,777,688</u>	<u>17,942,471</u>	<u>17,342,375</u>
Ending	<u>\$ 6,991,158</u>	<u>\$ 6,752,501</u>	<u>\$ 11,503,539</u>	<u>\$ 11,189,970</u>	<u>\$ 18,494,697</u>	<u>\$ 17,942,471</u>

2019 Expense and Program Revenues- Governmental Activities



Revenues by Source-Governmental Activities



FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds

The focus of government funds is to provide information on near term inflows, outflows and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of 2019, the Town's governmental funds reported combined ending fund balances, (*refer to Statement of Revenues, Expenditures and Changes in Fund Balances*), of \$ 3,970,118, an increase of \$ 260,604. Of the combined ending fund balances for all governmental funds 76% of this total amount, \$ 3,026,932, constitutes unassigned fund balance, which is available for appropriation at the Town's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it is already committed to 1) meet a state constitution mandated emergency reserve, \$22,450 2) Conservation Trust and Park Maintenance Funds, \$ 182,162 or 3) Road Projects \$ 738,574.

The following discussion is to help define what the Town's major funds are and how they function.

The General Fund is the primary operating fund for the Town of Orchard City. It accounts for all financial resources of general government. These activities include planning commission, building inspections, code enforcement, legal matters and elections. At the end of 2019, unassigned fund balance of the General Fund was \$ 3,026,932, while \$ 3,004,498 was in cash and cash equivalents. The General Fund balance increased by \$ 181,240 during 2019.

The Road Maintenance Fund accounts for public works and road maintenance for the Town. Primarily Highway Users Tax Fund finances this fund. At the end of 2019 the fund balance for the Road Maintenance Fund was \$747,703.

The Park and Recreation Fund is to account for revenues and expenditure for the maintenance of the park. At the end of 2019 the fund balance for the Park and Recreation Fund was \$26,376.

Proprietary funds

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

The Town has three enterprise funds referred to as the Water, Capital Construction and Water Acquisition Funds. The total net position in the enterprise funds as of December 31, 2019 amounted to \$ 11,503,539. The total net position increased by \$ 313,569.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town can look for county sales tax revenue to be flat as the economy continues to slow down due to the recession.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town of Orchard City's investment in capital assets for its governmental and business type activities as of December 31, 2019 amounts to \$ 10,995,207, an increase of \$ 284,527 from the prior year. As required by GABS 34, the investment capital assets include land, buildings, building improvements, and equipment.

Long Term Debt

The Town of Orchard City's only long term debt is unpaid paid time off to its employees, which as of December 31, 2019 amounted to \$ 19,698.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town of Orchard City does not receive tax revenue directly from its citizens. The Town does not levy a property or a sales tax. The Town also does not have business licenses or a zoning code. Most of the Town's revenue is received from funds that are collected by other governmental agencies such as the Highway User Tax Fund, the County Sales Tax and Mineral Lease and Severance payments. Because of this arrangement, Town revenues are tied directly to the local and state economies. As far as revenue is measured, the Delta County area has not seen quite as dramatic a decrease as some other counties and cities in the State. However, the Town anticipates a continued decline in revenue. The Town plans for this by budgeting both revenue and expenditures very conservatively.

The State Legislature made changes to the fees that go into the Highway User Tax Fund. These have been fee increases so the total amount of revenue has increased. However, this increase has not been as large as expected and this could be a result of the price of gasoline and the sluggish economy. Revenue that is billed and received directly by the Town mainly consists of fees and charges in the water funds. The Water Fund is a self-supporting fund which collects, treats and distributes drinking water to our customers. The Town did raise water rates in 2017, for the first time in 10 years, to ensure the Water Fund continues to pay for itself because of its fees and the fact that water use is not as directly tied to economic conditions as some of the other revenues are. Annual review of fees will be performed to ensure future water capital improvement projects can continue. The Town will be seeking grant funding from the Department of Local Affairs (DOLA) and loans from the State Revolving Funds (SFR) for the addition of a third filter at the treatment plant. The new addition will create redundancy to protect the current water users of the system.

The Town continues to closely monitor its revenues and expenditures. This conservative fiscal approach will be used as the Town prepares its 2020 budget and ten year financial projections.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the finances of the Town of Orchard City. For additional information or questions related to this report please contact the following:

**Town of Orchard City
9661 2100 Road
Austin, CO 81410
970-835-3337**

**Town of Orchard City
Statement of Net Position
December 31, 2019**

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and cash equivalents (Note 5)	\$ 3,920,322	\$ 3,283,254	\$ 7,203,576
Due from other governmental units	32,763	-	32,763
Accounts receivable	12,667	114,346	127,013
Inventory of supplies	6,451	171,997	178,448
Capital assets (Note 9)			
Nondepreciable	322,258	1,535,000	1,857,258
Depreciable, net of accumulated depreciation	2,718,480	6,419,469	9,137,949
Total assets	<u>7,012,941</u>	<u>11,524,066</u>	<u>18,537,007</u>
LIABILITIES			
Accounts payable	318	18,481	18,799
Accrued payroll	504	2,046	2,550
Other accrued expenses	1,263	-	1,263
Long-term liabilities			
Due more than one year:			
Compensated absences (Note 1)	19,698	-	19,698
Total liabilities	<u>21,783</u>	<u>20,527</u>	<u>42,310</u>
NET POSITION			
Investment in capital assets, net of related debt	3,040,738	7,954,469	10,995,207
Restricted for:			
Emergencies	22,450	-	22,450
Unrestricted	3,927,970	3,549,070	7,477,040
Total net position	<u>\$ 6,991,158</u>	<u>\$ 11,503,539</u>	<u>\$ 18,494,697</u>

See accompanying notes to the basic financial statements.

**Town of Orchard City
Statement of Activities
For the Year Ended December 31, 2019**

Functions/Programs	Expenses	Program Revenues		
		Charges for Service and Fees	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 170,940	\$ 37,616	\$ -	\$ -
Public safety	107,948	-	-	-
Public Works	143,824	-	211,115	-
Culture and recreation	97,791	-	42,109	-
Total governmental activities	<u>520,503</u>	<u>37,616</u>	<u>253,224</u>	<u>-</u>
Business-type activities:				
Water	892,678	1,036,801	-	84,500
Total business- type activities	<u>892,678</u>	<u>1,036,801</u>	<u>-</u>	<u>84,500</u>
Total primary government	<u>\$ 1,413,181</u>	<u>\$ 1,074,417</u>	<u>\$ 253,224</u>	<u>\$ 84,500</u>

General Revenues

Sales taxes
Franchise taxes
Mineral Leasing
Severance tax
Miscellaneous
Investment earnings

Total General Revenues

Changes in Net Position

Net Position-January 1

Net Position-December 31

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (133,324)	\$ -	\$ (133,324)
(107,948)	-	(107,948)
67,291	-	67,291
(55,682)	-	(55,682)
<u>(229,663)</u>	<u>-</u>	<u>(229,663)</u>
-	228,623	228,623
-	228,623	228,623
<u>(229,663)</u>	<u>228,623</u>	<u>(1,040)</u>
252,638	-	252,638
94,219	-	94,219
10,020	-	10,020
18,915	-	18,915
9,937	10,388	20,325
82,591	74,558	157,149
<u>468,320</u>	<u>84,946</u>	<u>553,266</u>
238,657	313,569	552,226
6,752,501	11,189,970	17,942,471
<u>\$ 6,991,158</u>	<u>\$11,503,539</u>	<u>\$ 18,494,697</u>

The accompanying notes are an integral part of this statement.

**Town of Orchard City
Governmental Funds
Balance Sheet
December 31, 2019**

	General Fund	Road Maintenance Fund	Park and Recreation Fund
Assets			
Cash and cash equivalents	\$ 3,004,498	\$ 731,697	\$ 26,376
Due from other governments	22,737	10,026	-
Accounts receivable	12,667	-	-
Inventory of supplies	-	6,451	-
Total assets	<u>\$ 3,039,902</u>	<u>\$ 748,174</u>	<u>\$ 26,376</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ -	\$ 318	\$ -
Accrued payroll	351	153	-
Other accrued expenses	1,263	-	-
Total liabilities	<u>1,614</u>	<u>471</u>	<u>-</u>
Fund balances:			
Restricted			
Reserve for emergencies	11,356	9,129	1,965
Parks and recreation	-	-	-
Committed			
Road maintenance projects	-	738,574	-
Parks and recreation	-	-	24,411
Unassigned	<u>3,026,932</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>3,038,288</u>	<u>747,703</u>	<u>26,376</u>
Total liabilities and fund balance	<u>\$ 3,039,902</u>	<u>\$ 748,174</u>	<u>\$ 26,376</u>

Non Major Governmental Funds	Total Governmental Funds
\$ 157,751	\$ 3,920,322
-	32,763
-	12,667
-	6,451
<u>\$ 157,751</u>	<u>\$ 3,972,203</u>

\$ -	\$ 318
-	504
-	1,263
<u>-</u>	<u>2,085</u>

-	22,450
157,751	157,751
-	738,574
-	24,411
-	3,026,932
<u>157,751</u>	<u>3,970,118</u>
<u>\$ 157,751</u>	<u>\$ 3,972,203</u>

See accompanying notes to the basic financial statements.

Town of Orchard City
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
December 31, 2019

Total fund balance, governmental funds	\$3,970,118
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	3,040,738
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	<u>(19,698)</u>
Net Position of Governmental Activities in the Statement of Net Position	<u><u>\$6,991,158</u></u>

See accompanying notes to the basic financial statements.

**Town of Orchard City
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2019**

	General Fund	Road Maintenance Fund	Park and Recreation Fund
REVENUES			
Franchise Taxes	\$ 90,147	\$ -	\$ 4,072
Sales Taxes	252,638	-	-
Charges for services	6,423	-	-
Licenses and permits	31,193	-	-
Intergovernmental	28,935	211,115	-
Investment earnings	66,275	16,018	-
Miscellaneous	5,980	730	3,227
Total revenues	<u>481,591</u>	<u>227,863</u>	<u>7,299</u>
EXPENDITURES			
Current:			
General government	146,690	-	-
Public safety	107,948	-	-
Public works	4,539	73,868	-
Culture and recreation	12,669	-	41,659
Capital outlay	3,439	51,426	-
Total expenditures	<u>275,285</u>	<u>125,294</u>	<u>41,659</u>
Excess (deficiency) of revenues over expenditures	<u>206,306</u>	<u>102,569</u>	<u>(34,360)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	25,066
Transfers out	(25,066)	-	-
Total other financing sources (uses)	<u>(25,066)</u>	<u>-</u>	<u>25,066</u>
Net change to fund balance	181,240	102,569	(9,294)
Fund balance, January 1	2,857,048	645,134	35,670
Fund balance, December 31	<u><u>\$ 3,038,288</u></u>	<u><u>\$ 747,703</u></u>	<u><u>\$ 26,376</u></u>

Non Major Governmental Funds	Total Governmental Funds
\$ -	\$ 94,219
-	252,638
-	6,423
-	31,193
42,109	282,159
298	82,591
-	9,937
<u>42,407</u>	<u>759,160</u>
-	146,690
-	107,948
-	78,407
-	54,328
<u>56,318</u>	<u>111,183</u>
<u>56,318</u>	<u>498,556</u>
<u>(13,911)</u>	<u>260,604</u>
-	25,066
-	<u>(25,066)</u>
-	<u>-</u>
(13,911)	260,604
<u>171,662</u>	<u>3,709,514</u>
<u>\$ 157,751</u>	<u>\$ 3,970,118</u>

See accompanying notes to the basic financial statements.

Town of Orchard City
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balance to the Statement of Activities
For the Year Ended December 31, 2019

Net change in fund balances - total governmental funds **\$ 260,604**

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. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital assets current additions	\$ 93,964	
Depreciation expense	<u>(116,251)</u>	
Excess of depreciation over capital outlay		(22,287)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	<u>340</u>
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Change in net position of governmental funds **\$ 238,657**

See accompanying notes to the basic financial statements.

**Town of Orchard City
Statement of Net Position
Enterprise Funds
December 31, 2019**

	Water Fund	Water Capital Construction Fund	Water Acquisition Fund	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 1,994,996	\$ 1,148,974	\$ 139,284	\$ 3,283,254
Accounts Receivable, net	105,596	-	8,750	114,346
Inventory of supplies	171,997	-	-	171,997
Total current assets	<u>2,272,589</u>	<u>1,148,974</u>	<u>148,034</u>	<u>3,569,597</u>
Noncurrent assets:				
Capital assets:				
Land and improvements	1,535,000	-	-	1,535,000
Utility system	9,573,456	-	-	9,573,456
Buildings and improvements	178,261	-	-	178,261
Equipment	302,395	-	-	302,395
Less Accumulated Depreciation	<u>(3,634,643)</u>	<u>-</u>	<u>-</u>	<u>(3,634,643)</u>
Total noncurrent assets	<u>7,954,469</u>	<u>-</u>	<u>-</u>	<u>7,954,469</u>
Total assets	<u><u>\$ 10,227,058</u></u>	<u><u>\$ 1,148,974</u></u>	<u><u>\$ 148,034</u></u>	<u><u>\$11,524,066</u></u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 2,816	\$ 15,665	\$ -	\$ 18,481
Accrued payroll	2,046	-	-	2,046
Total current liabilities	<u>4,862</u>	<u>15,665</u>	<u>-</u>	<u>20,527</u>
NET POSITION				
Invested in capital assets	7,954,469	-	-	7,954,469
Unrestricted	<u>2,267,727</u>	<u>1,133,309</u>	<u>148,034</u>	<u>3,549,070</u>
Total net position	<u><u>\$ 10,222,196</u></u>	<u><u>\$ 1,133,309</u></u>	<u><u>\$ 148,034</u></u>	<u><u>\$11,503,539</u></u>

See accompanying notes to the basic financial statements.

Town of Orchard City
Statement of Revenues, Expenses and Changes in Fund Net Position
Enterprise Funds
Year Ended December 31, 2019

	Water Fund	Water Capital Construction Fund	Water Acquisition Fund	Total
Operating revenues:				
Charges for services	\$ 875,218	\$ 134,083	\$ 27,500	\$ 1,036,801
Miscellaneous	10,388	-	-	10,388
Total operating revenues	<u>885,606</u>	<u>134,083</u>	<u>27,500</u>	<u>1,047,189</u>
Operating expenses:				
Personal services	487,392	-	-	487,392
Purchased services, supplies and materials	141,383	-	-	141,383
Repairs and maintenance	59,606	-	-	59,606
Depreciation	204,297	-	-	204,297
Total operating expenses	<u>892,678</u>	<u>-</u>	<u>-</u>	<u>892,678</u>
Operating income (loss)	<u>(7,072)</u>	<u>134,083</u>	<u>27,500</u>	<u>154,511</u>
Nonoperating revenues (expenses):				
Interest and investment revenue	42,483	29,544	2,531	74,558
Transfers in (out)	(123,700)	-	123,700	-
Total nonoperating revenues (expenses)	<u>(81,217)</u>	<u>29,544</u>	<u>126,231</u>	<u>74,558</u>
Income (loss) before Capital Contributions	(88,289)	163,627	153,731	229,069
Capital contributions-Tap Fees	<u>-</u>	<u>84,500</u>	<u>-</u>	<u>84,500</u>
Change in net position	(88,289)	248,127	153,731	313,569
Total net position, January 1	9,890,718	1,281,949	17,303	11,189,970
Residual transfer	419,767	(396,767)	(23,000)	-
Total net position, December 31	<u>\$ 10,222,196</u>	<u>\$ 1,133,309</u>	<u>\$ 148,034</u>	<u>\$11,503,539</u>

See accompanying notes to the basic financial statements.

**Town of Orchard City
Statement of Cash Flows
Enterprise Funds
Year Ended December 31, 2019**

	Water Fund	Water Capital Construction Fund	Water Acquisition Fund	Total
Cash Flows From Operating Activities				
Charges for sales and services	\$ 876,448	\$ 134,083	\$ 27,500	\$ 1,038,031
Other receipts	(4,876)	-	-	(4,876)
Payments for personal services	(485,346)	-	-	(485,346)
Payments to suppliers	(199,790)	15,665	-	(184,125)
Net cash provided (used) by operating activities	<u>186,436</u>	<u>149,748</u>	<u>27,500</u>	<u>363,684</u>
Cash Flows from Noncapital Activities				
Transfers in	(123,700)	-	123,700	-
Net cash provided (used) by noncapital financing activities	<u>(123,700)</u>	<u>-</u>	<u>123,700</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Tap fees and water rights	-	84,500	-	84,500
Acquisition of fixed assets	(91,343)	(396,767)	(23,000)	(511,110)
Net cash provided (used) by capital and related financing activities	<u>(91,343)</u>	<u>(312,267)</u>	<u>(23,000)</u>	<u>(426,610)</u>
Cash Flows from Investing Activities				
Interest on investments	42,483	29,544	2,531	74,558
Net increase (decrease) in cash and equivalents	13,876	(132,975)	130,731	11,632
Cash balances, January 1	1,981,120	1,281,949	8,553	3,271,622
Cash balances, December 31	<u>\$ 1,994,996</u>	<u>\$ 1,148,974</u>	<u>\$ 139,284</u>	<u>\$ 3,283,254</u>
Reconciling of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (7,072)	\$ 134,083	\$ 27,500	\$ 154,511
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	204,297	-	-	204,297
(Increase) Decrease in receivables	1,230	-	-	1,230
(Increase) Decrease in inventory	(15,264)	-	-	(15,264)
Increase (Decrease) in accounts payables	1,199	15,665	-	16,864
Increase (Decrease) in accrued payroll	2,046	-	-	2,046
Net cash provided by (used) operating activities	<u>\$ 186,436</u>	<u>\$ 149,748</u>	<u>\$ 27,500</u>	<u>\$ 363,684</u>

See accompanying notes to the basic financial statements.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Orchard City, Colorado (the Town) have been prepared in conformity with the accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles,

The more significant of the Town's accounting policies are described below:

Financial Reporting Entity

The Town is incorporated under the laws of the State of Colorado, with a mayor and a town board. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town of Orchard City (the primary government). The Town has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respect governing board.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Town. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, charges for services and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to those 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 instead as general revenues.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies - (continued)

Fund Financial Statements

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.

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

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

Special Revenue Funds are used to account for the proceeds of special revenue sources that are restricted for specific purposes.

- Road and Maintenance Fund is to account for highway user's tax to be used for construction and maintenance of the Town's roads.
- Park and Recreation Fund is to account for lease income and taxes to maintain the Town Park.

The remaining governmental funds are aggregated and presented as non-major funds. Those funds include:

- The Conservation Trust Fund, which accounts for State of Colorado lottery funds to be used for parks and recreation services and capital investment.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies - (continued)

Fund Financial Statements- (continued)

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

The Town reports the following major enterprise fund business-type activities:

- Water Fund, which account for all operations of the Town's water, services. This is primarily financed by user charges.
- Capital Construction and Acquisition Funds is to account for construction of utility systems and water.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise 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.

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due, and compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because generally, they are not measurable until received. Grant revenues are recognized as they are earned.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies - (continued)

Measurement Focus and Basis of Accounting- (continued)

The accrual basis of accounting is utilized by the enterprise fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognize as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Property taxes revenue that are related to a future period have been recorded as deferred inflows. Grants and entitlements received before eligibility requirements are met (e.g., cash advances) are recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

Cash and Cash Equivalents

For the purposes of the statement of cash flows of the enterprise fund, cash and cash equivalents consist of operating and restricted cash and highly liquid securities with an initial maturity of three months or less.

Use of Estimates

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

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies - (continued)

Capital Assets

Capital assets, which include property, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of one or more years, and for which the initial, individual value equals or exceeds \$ 5,000.

All purchased assets are valued at cost where historical records are available and at estimated historical costs where no historical records exist. Donated assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Building and Other Improvements	20-50 years
Water System	50 years
Furniture and Equipment	3-10 years
Infrastructure	15-40 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

Long-Term Liabilities

In the government-wide financial statements, and enterprise 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 enterprise fund type statement of net position.

The long-term compensated absences are serviced from revenues of the General Fund from future appropriations. No interest costs were capitalized in 2019.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies - (continued)

Compensated Absences

It is the Town's policy for employees to accumulate earned but unused vacation and sick pay benefits, but employees are not entitled to be paid for sick leave upon termination. In the government-wide statements, vacation and unused compensation time is accrued when incurred and reported as a liability of the governmental and business-type activities. In the governmental funds, vacation and unused compensation time that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are not reported as expenditure.

Net Position

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

Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as "due to/from other funds." Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventory

Inventory is valued at lower of cost (first in, first out) or market.

Accounts Receivable

The Town considers all receivables fully collectible.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies - (continued)

Fund Balance

In the fund financial statements, Governmental Funds report the following classifications:

- Non-spendable fund balance amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation;
- Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance-amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance-amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or 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 Town Council has provided otherwise in its commitment or assignment actions.

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

The governmental funds balance sheet includes reconciliation between fund balances total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net change in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the governmental fund statements during the consolidation of governmental activities.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 3 - Tax, Spending and Debt Limitations

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, excluding “enterprises.” The Town’s voters on November 8, 1994, approved a ballot measure to permit the Town to collect, retain and expend the full proceeds of the Town’s sales tax, and federal and state grants.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment.

The Amendment requires that an emergency reserve be maintained at three percent of fiscal year spending. A portion of the General, Road Maintenance and Park and Recreation Fund’s fund balances are classified as restricted for emergencies as required by the Amendment. The amount restricted at December 31, 2019 was \$22,450.

Note 4 - Budgets

The Town adheres to the following procedures in establishing budgetary data reflected in the financial statements:

- A. By August 1st of each year, the manager shall give public notice of budget preparation for the next fiscal year. The manager asks that all Town departments, boards, commissions or citizens submit within thirty days from the notice, any request for funds under the budget being prepared.

The manager, then prepares a proposed budget for the ensuing fiscal year and submits it to the Council no later than forty-five days prior to any date required by state law for the certification to the County of the tax levy.

- B. The budget provides a complete financial plan of all Town funds and activities for the ensuing fiscal year indicating anticipated revenues, proposed operating and capital expenditures, a provision for contingencies, and anticipated net surplus or deficit for the ensuing fiscal year.
- C. A public hearing on the proposed budget is held by the Council in early December.
- D. The Council adopts the budget by resolution on or before the final day established by law for the certification of the ensuing year’s tax levy to the County. Adoption of the budget by the Council shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 4 - Budgets- (continued)

- E. If during the fiscal year the manager determines that there are expenses in excess of those estimated in the budget, the Council by ordinance may make supplemental appropriations for the year up to the amount of such excess. To meet an emergency affecting public property, health, peace or safety, the Council may make emergency appropriations. If at any time during the fiscal year it appears probable to the manager that the revenues available will be insufficient to meet the amount appropriated, the manager reports to the Council, indicating the estimated amount of deficit, any remedial action already taken, and a recommendation as to any other steps to be taken. Any time during the fiscal year the manager may transfer part or all of any unencumbered appropriation balance within a department.
- F. Budget appropriations lapse at the end of each year.
- G. Expenditures may not exceed appropriations at the fund level. Budget amounts included in the financial statements are based on the final amended budget. There was one revision made to the original budget.
- H. Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for long-term receivables and advances and capital lease financing which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
GAAP based revenues	\$ -	\$ 1,091,716	\$ -
Add:			
Tap fees and water rights		84,500	
Total budgetary revenues	<u>\$ 1,002,770</u>	<u>\$ 1,176,216</u>	<u>\$ 173,446</u>
Expenditures			
GAAP based expenses	\$ -	\$ 977,178	\$ -
Add (deduct):			
Depreciation		(204,297)	
Decrease in accrued expenses			
Acquisition of capital assets		426,610	
Total budgetary expenses	<u>\$ 2,280,644</u>	<u>\$ 1,199,491</u>	<u>\$ 1,081,153</u>

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 5 - Deposits and Investments

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 determined 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 the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At December 31, 2019, the carrying amount of the Town's deposits was \$ 340,581 the bank balance of the Town's deposits was \$ 374,315 of which \$ 374,315 was covered by federal depository insurance.

The Town maintains a cash pool that is available to the General Fund, Special Revenue Funds and Enterprise Fund.

Cash and Cash Equivalents

Cash in bank accounts	\$ 340,581
Cash with county treasurer and cash on hand	1,430
ColoTrust	<u>6,861,565</u>
Total	<u>\$ 7,203,576</u>

Interest rate risk-The town does not have a formal policy limiting investment maturities, other than that established by the state statute of five years, which would help manage its exposure to fair value losses from increasing interest rates.

Credit risk-Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Town's policy to limit its investments to U.S. Treasury obligations, certain U.S. government agencies securities, commercial paper, local government investment pools, repurchase agreements and money market funds.

Custodial Credit Risk- For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 5 - Deposits and Investments- (continued)

Investments

At December 31, 2019 the Town had the following investments:

	<u>Maturities</u> <u>Less Than One Year</u>	<u>Net Asset Value</u>
ColoTrust Plus +	\$ 6,861,565	\$ 6,861,565

The Town invested \$ 6,861,565 in the Colorado Government Liquid Asset Trust (COLOTRUST). COLOTRUST is an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission administers and enforces all state statutes governing public investment pools. The investment is an external investment pool that reports at the fair value per share of the pool's underlying portfolio. The unit of account is each share held, and the value of the position is the fair value of the pool's share price multiplied by the number of shares held. For pricing and redeeming share COLOTRUST maintains a stable net asset value (NAV) of \$1 per share, which approximates fair value. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables and payables. All COLOTRUST investments are reported at NAV and do not have any unfunded commitments, redemption restrictions or redemption notice periods. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+, which are both rated AAAM by Standard & Poor's. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Financial statements and information about the pool for COLOTRUST may be obtained through its website at www.colotrust.com. COLOTRUST may, without the necessity of a formal meeting of their Board, temporarily suspend the right of redemption or postpone the date of payment for redeemed shares under certain specific conditions described in their trust indenture and during any financial emergency when it is not reasonably practicable because of substantial losses which might be incurred.

Note 6 - Risk Management

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

The Town purchases general liability and property insurance through commercial insurers to provide coverage of all losses, claims and judgments. Claims have not exceeded coverage in any of the last three fiscal years.

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 7 - Retirement Plans

Defined Contribution Plan

The Town participates in the Colorado Retirement Association Defined Contribution Plan (CRA), a multiple-employer public employee retirement system, which is a qualified plan as defined by Internal Revenue Service Code Section 401 (A) and CRS 24.54. The plan provides retirement benefits through a defined contribution plan to participating Colorado counties, municipalities, and special districts. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Plan provisions and contribution requirements are established and may be amended by CRA and would have to be approved by the Town.

There are no unfunded past service liabilities. All of its full-time employees, who work 40 hours per week, are eligible to contribute to the plan. Employees are eligible to participate upon the first day of the payroll period following the employee's date of hire. Both the Town and the employees contribute between 4% and 4% of the employee's monthly base salary to the plan. Employees may also make additional contributions up to a maximum of 10% of compensation.

Employees are immediately vested in their participant contributions and become vested in employer contributions to the plan over a five-year period. For the year ended December 31, 2019 the Town's total payroll was \$458,427, the total covered payroll by the retirement plan was \$387,975. During 2019, the Town and employees each made their respectively required contribution of \$15,519, for a total of \$31,038. Complete financial statements for the retirement plans may be obtained from CRA, 4949 S. Syracuse St., Suite 400, Denver, Colorado, 80237.

Note 8 - Capital Assets

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

	Balance 1/1/2019	Additions	Deletions	Balance 12/31/2019
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 322,258	\$ -	\$ -	\$ 322,258
Capital assets being depreciated				
Buildings	1,146,018			1,146,018
Equipment and furniture	416,109	44,758		460,867
Infrastructure	1,827,350	49,206		1,876,556
Ball fields and parks	781,819			781,819
Less: Accumulated depreciation	(1,430,529)	(116,251)		(1,546,780)
	2,740,767	(22,287)	-	2,718,480
Governmental Activities				
Capital assets, net	\$ 3,063,025	\$ (22,287)	\$ -	\$ 3,040,738

Town of Orchard City
Notes to the Financial Statements
December 31, 2019

Note 8 - Capital Assets- (continued)

	Balance 1/1/2019	Additions	Deletions	Balance 12/31/2019
Business-Type Activities				
Capital assets not being depreciated				
Land and water rights	\$ 1,512,000	\$ 23,000	\$ -	\$ 1,535,000
Capital assets being depreciated				
Buildings and improvements	178,261			178,261
Equipment and furniture	211,052	91,343		302,395
Distribution system	9,176,689	396,767		9,573,456
Less: Accumulated depreciation	(3,430,346)	(204,297)		(3,634,643)
	<u>6,135,656</u>	<u>283,813</u>	<u>-</u>	<u>6,419,469</u>
Business-Type Activities				
Capital assets, net	<u>\$ 7,647,656</u>	<u>\$ 306,813</u>	<u>\$ -</u>	<u>\$ 7,954,469</u>

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

General government	\$ 21,151
Public works	63,197
Culture and recreation	31,903
	<u>\$ 116,251</u>
Water Fund	<u>\$ 204,297</u>

Town of Orchard City
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Taxes:				
Franchise	\$ 72,000	\$ 72,000	\$ 90,147	\$ 18,147
	72,000	72,000	90,147	18,147
Intergovernmental				
Other taxes	1,600	1,600	1,997	397
Sales tax	180,000	180,000	252,638	72,638
Severance tax	3,000	3,000	18,915	15,915
Mineral leasing	3,000	3,000	10,020	7,020
Planning commission	500	500	6,423	5,923
Total intergovernmental	188,100	188,100	289,993	101,893
License and permits	15,226	15,226	31,193	15,967
Miscellaneous				
Interest on deposits	8,500	8,500	66,275	57,775
Rent	500	500	1,950	1,450
Other	100	100	2,033	1,933
Total revenues	284,426	284,426	481,591	197,165
Expenditures				
Salaries and benefits	81,530	81,530	60,756	20,774
Utilities	3,500	3,500	2,610	890
Telephone	1,300	1,300	668	632
Office supplies	3,700	3,700	2,677	1,023
Postage	1,000	1,000	903	97
Computer support	9,000	9,000	5,366	3,634
Building repairs and supplies	5,000	5,000	2,510	2,490
Trash removal	1,300	1,300	1,196	104
Janitorial services	10,621	10,621	10,621	-
Insurance	9,122	9,122	9,122	-
Town clothing	1,000	1,000	465	535
Vehicle expense	1,000	1,000	-	1,000
Dues and subscriptions	1,100	1,100	723	377
Newsletter	7,000	7,000	860	6,140
Website	1,800	1,800	1,752	48
Trustee fees and other	22,500	22,500	17,456	5,044
Conference and schools	5,000	5,000	38	4,962
Town picnic and other	10,000	10,000	7,262	2,738
Miscellaneous	1,444	1,444	3,783	(2,339)
Board meeting and supplies	5,000	5,000	1,413	3,587
Community room help	1,000	1,000	690	310
Planning commission	1,000	1,000	1,171	(171)
Public notices and ads	1,700	1,700	1,594	106
Professional fees	14,500	14,500	8,400	6,100
Records management	7,500	7,500	4,060	3,440
GIS update mapping	800	800	400	400
Treasurer's fees	250	250	194	56
Total general government	208,667	208,667	146,690	61,977

See accompanying notes to the basic financial statements.

Town of Orchard City
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2019

Building department				
Permit refunds	-	-	2,260	(2,260)
Supplies	1,300	1,300	1,389	(89)
Training and meetings	700	700	712	(12)
Vehicle expense	2,000	2,000	178	1,822
Total Building department	<u>4,000</u>	<u>4,000</u>	<u>4,539</u>	<u>(539)</u>
Public safety				
Police protection	105,948	105,948	105,948	-
Mosquito control	11,700	11,700	-	11,700
Juvenile diversion	2,000	2,000	2,000	-
Total public safety	<u>119,648</u>	<u>119,648</u>	<u>107,948</u>	<u>11,700</u>
Donations				
Dolphin House	1,500	1,500	1,500	-
All points transportation	2,869	2,869	2,869	-
Animal control	2,000	2,000	2,000	-
Food bank	2,000	2,000	2,000	-
Student of the month	900	900	800	100
DCHA	1,000	1,000	250	750
Hospice	750	750	-	750
Other	3,750	3,750	3,250	500
Total donations	<u>14,769</u>	<u>14,769</u>	<u>12,669</u>	<u>2,100</u>
Contingency	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Capital Outlay	<u>4,500</u>	<u>4,500</u>	<u>3,439</u>	<u>1,061</u>
Total expenditures	<u>361,584</u>	<u>361,584</u>	<u>275,285</u>	<u>86,299</u>
Excess of revenues over (under) expenditures	<u>(77,158)</u>	<u>(77,158)</u>	<u>206,306</u>	<u>283,464</u>
Other Financing sources (uses)				
Transfer out	<u>(25,066)</u>	<u>(25,066)</u>	<u>(25,066)</u>	<u>-</u>
Excess of revenues and sources over and (under) expenditures and use	<u>(102,224)</u>	<u>(102,224)</u>	<u>181,240</u>	<u>283,464</u>
Fund balance - January 1	<u>2,750,368</u>	<u>2,750,368</u>	<u>2,857,048</u>	<u>106,680</u>
Fund balance - December 31	<u>\$ 2,648,144</u>	<u>\$ 2,648,144</u>	<u>\$ 3,038,288</u>	<u>\$ 390,144</u>

See accompanying notes to the basic financial statements.

Town of Orchard City
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Road Maintenance Fund
For the Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenues				
Intergovernmental				
State shared				
HUTF	\$ 140,268	\$ 140,268	\$ 180,128	\$ 39,860
Motor vehicle fees	16,000	16,000	18,482	2,482
Motor vehicle - sales tax	2,000	2,000	2,778	778
County road and bridge	9,200	9,200	9,727	527
Total intergovernmental	<u>167,468</u>	<u>167,468</u>	<u>211,115</u>	<u>43,647</u>
Miscellaneous				
Interest on deposits	1,200	1,200	16,018	14,818
Other	-	-	730	730
Total revenues	<u>168,668</u>	<u>168,668</u>	<u>227,863</u>	<u>59,195</u>
Expenditures				
Public Works:				
Salaries and benefits	36,095	36,095	33,835	2,260
Snow removal	5,000	5,000	1,588	3,412
Travel and training	2,000	2,000	-	2,000
Vehicle expense	8,000	8,000	4,199	3,801
Improvement projects	140,000	140,000	51,426	88,574
Street sign	2,500	2,500	2,885	(385)
Miscellaneous	2,000	2,000	126	1,874
Utilities and telephone	3,800	3,800	2,570	1,230
Insurance	4,561	4,561	4,561	-
Professional fees	2,000	2,000	1,562	438
Weed Control	1,000	1,000	95	905
Repairs and maintenance	27,500	27,500	20,896	6,604
Supplies and materials-streets	10,300	10,300	1,551	8,749
Capital Outlay	35,000	35,000	-	35,000
Total Expenditures	<u>279,756</u>	<u>279,756</u>	<u>125,294</u>	<u>154,462</u>
Excess (deficiency) of revenues over expenditures	(111,088)	(111,088)	102,569	213,657
Fund balance - January 1	<u>593,023</u>	<u>593,023</u>	<u>645,134</u>	<u>52,111</u>
Fund balance - December 31	<u>\$ 481,935</u>	<u>\$ 481,935</u>	<u>\$ 747,703</u>	<u>\$ 265,768</u>

See accompanying notes to the basic financial statements.

**Town of Orchard City
Park and Recreation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Franchise taxes	\$ 5,000	\$ 5,000	\$ 4,072	\$ (928)
Lease income	1,500	1,500	1,020	(480)
Miscellaneous	2,500	2,500	2,207	(293)
Total Revenues	<u>9,000</u>	<u>9,000</u>	<u>7,299</u>	<u>(1,701)</u>
Expenditures				
Salaries and benefits	19,333	19,333	18,247	1,086
Utilities and telephone	8,700	8,700	5,924	2,776
Vehicle Expenses	4,200	4,200	1,531	2,669
Building maintenance	1,700	1,700	857	843
Landscaping	1,500	1,500	462	1,038
Insurance	4,560	4,560	4,561	(1)
Equipment maintenance	4,000	4,000	66	3,934
Park maintenance	18,000	18,000	5,715	12,285
Miscellaneous	1,900	1,900	2,733	(833)
Audit and budget	1,600	1,600	1,563	37
Total expenditures	<u>65,493</u>	<u>65,493</u>	<u>41,659</u>	<u>23,834</u>
Excess (deficiency) of revenues over expenditures	(56,493)	(56,493)	(34,360)	22,133
Other Financing Sources (Uses)				
Transfer in	25,066	25,066	25,066	-
Total other financing sources (uses)	<u>25,066</u>	<u>25,066</u>	<u>25,066</u>	<u>-</u>
Net change to fund balance	(31,427)	(31,427)	(9,294)	22,133
Fund balance, January 1	33,437	33,437	35,670	2,233
Fund balance, December 31	<u>\$ 2,010</u>	<u>\$ 2,010</u>	<u>\$ 26,376</u>	<u>\$ 24,366</u>

See accompanying notes to the basic financial statements.

**Town of Orchard City
Conservation Trust Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
State Lottery Funds	\$ 28,000	\$ 28,000	\$ 35,548	\$ 7,548
Contributions-County	-	-	6,561	6,561
Interest earnings	15	15	298	283
Total revenues	<u>28,015</u>	<u>28,015</u>	<u>42,407</u>	<u>14,392</u>
Expenditures				
Culture and recreation				
Capital Outlay	57,800	57,800	56,318	1,482
Total expenditures	<u>57,800</u>	<u>57,800</u>	<u>56,318</u>	<u>1,482</u>
Excess of revenues over (under) expenditures	(29,785)	(29,785)	(13,911)	15,874
Fund balance, January 1	<u>156,996</u>	<u>156,996</u>	<u>171,662</u>	<u>14,666</u>
Fund balance, December 31	<u><u>\$ 127,211</u></u>	<u><u>\$ 127,211</u></u>	<u><u>\$ 157,751</u></u>	<u><u>\$ 30,540</u></u>

**Town of Orchard City
Water Fund
Schedule of Revenues, Expenditures and Changes in Available
Resources-Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Charges for services	\$ 850,000	\$ 850,000	\$ 860,023	\$ 10,023
Water station vending	3,500	3,500	4,415	915
Supplies and repairs	1,000	1,000	10,780	9,780
Interest on earnings	5,500	5,500	42,483	36,983
Miscellaneous	3,500	3,500	10,388	6,888
Total revenues	<u>863,500</u>	<u>863,500</u>	<u>928,089</u>	<u>64,589</u>
Expenditures				
Salaries and benefits	518,850	518,850	487,392	31,458
Purchased services, supplies and materials	47,000	47,000	38,439	8,561
Repairs and maintenance	84,300	84,300	50,873	33,427
Capital outlay	131,000	131,000	100,076	30,924
Miscellaneous	5,825	5,825	1,948	3,877
Utilities	22,000	22,000	19,310	2,690
Telephone	8,200	8,200	5,202	2,998
Insurance	18,244	18,244	18,438	(194)
Professional services	8,125	8,125	3,125	5,000
Office expenses	26,700	26,700	24,863	1,837
Training and travel	5,000	5,000	1,630	3,370
Vehicle expense	19,600	19,600	15,419	4,181
Water assessments	7,000	7,000	7,059	(59)
Safety equipment	5,000	5,000	874	4,126
Reserves	165,000	165,000	5,076	159,924
Total expenditures	<u>1,071,844</u>	<u>1,071,844</u>	<u>779,724</u>	<u>292,120</u>
Excess of revenues over (under) expenditures	(208,344)	(208,344)	148,365	356,709
Other Financing Sources (Uses)				
Transfer out	(123,700)	(123,700)	(123,700)	-
Total other financing sources (uses)	<u>(123,700)</u>	<u>(123,700)</u>	<u>(123,700)</u>	<u>-</u>
Net change to fund balance	(332,044)	(332,044)	24,665	356,709
Available resources-January 1	<u>1,986,356</u>	<u>1,986,356</u>	<u>2,243,062</u>	<u>256,706</u>
Available resources-December 31	<u><u>\$ 1,654,312</u></u>	<u><u>\$ 1,654,312</u></u>	<u><u>\$ 2,267,727</u></u>	<u><u>613,415</u></u>

Town of Orchard City
Water Capital Construction Fund
Schedule of Revenues, Expenditures and Changes in Available
Resources-Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Charges for services	\$ 128,544	\$ 128,544	\$ 131,077	\$ 2,533
Tap fees	6,500	6,500	84,500	78,000
Interest	2,000	2,000	29,544	27,544
Meadow View line payment	2,226	2,226	3,006	780
Total revenues	<u>139,270</u>	<u>139,270</u>	<u>248,127</u>	<u>108,857</u>
Expenditures				
Capital outlay-New Filter For TX Plant	750,000	750,000	100,974	649,026
Capital outlay- East line to scada	33,800	33,800	35,635	(1,835)
Capital outlay- Kaiser Waterline Replacement	375,000	375,000	81,181	293,819
Capital outlay-Knight waterline replacement	-	-	178,977	(178,977)
Total expenditures	<u>1,158,800</u>	<u>1,158,800</u>	<u>396,767</u>	<u>762,033</u>
Excess of revenues over (under) expenditures	(1,019,530)	(1,019,530)	(148,640)	870,890
Available resources-January 1	<u>1,253,328</u>	<u>1,253,328</u>	<u>1,281,949</u>	<u>28,621</u>
Available resources-December 31	<u>\$ 233,798</u>	<u>\$ 233,798</u>	<u>\$ 1,133,309</u>	<u>\$ 899,511</u>

**Town of Orchard City
Water Acquisition Fund
Schedule of Revenues, Expenditures and Changes in Available
Resources-Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Water Conveyance Fee	\$ -	\$ -	\$ 27,500	\$ 27,500
Interest income	-	-	2,531	2,531
Total revenues	<u>-</u>	<u>-</u>	<u>30,031</u>	<u>30,031</u>
Expenditures				
Water shares	50,000	50,000	23,000	27,000
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>23,000</u>	<u>27,000</u>
Excess of revenues over (under) expenditures	(50,000)	(50,000)	7,031	57,031
Other Financing Sources (Uses)				
Transfer in	123,700	123,700	123,700	-
Total other financing sources (uses)	<u>123,700</u>	<u>123,700</u>	<u>123,700</u>	<u>-</u>
Net change to fund balance	73,700 -	73,700 -	130,731	57,031
Available resources-January 1	<u>17,303</u>	<u>17,303</u>	<u>17,303</u>	<u>-</u>
Available resources-December 31	<u>\$ 91,003</u>	<u># \$ 91,003</u>	<u># \$ 148,034</u>	<u>\$ 114,062</u>

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

LOCAL HIGHWAY FINANCE REPORT		City or County:	Town of Orchard City
		YEAR ENDING :	December 2019
This Information From The Records Of (example - City of _ or County of _)		Prepared By:	Melissa Oelke
		Phone:	970-835-3337

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
A. Receipts from local sources:	
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)	12,504
4. Miscellaneous local receipts (from page 2)	16,748
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)	29,252
B. Private Contributions	
C. Receipts from State government (from page 2)	198,610
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	227,862

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	51,426
2. Maintenance:	21,493
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	
c. Other	95
d. Total (a. through c.)	95
4. General administration & miscellaneous	52,279
5. Highway law enforcement and safety	
6. Total (1 through 5)	125,293
B. Debt service on local obligations:	
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
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	125,293

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
	93,165	227,862	125,293	195,734	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 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		a. Interest on investments	16,018
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,778	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	9,726	g. Other Misc. Receipts	
6. Total (1. through 5.)	12,504	h. Other	730
c. Total (a. + b.)	12,504	i. Total (a. through h.)	16,748
	(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	180,128	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	18,482	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.)	18,482	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	198,610	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		51,426	51,426
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	51,426	51,426
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	51,426	51,426
			(Carry forward to page 1)

Notes and Comments: