

cPa DIXON, WALLER & CO., INC.

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TOWN OF SPRINGFIELD, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2019

# DIXON, WALLER & CO., INC.

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TOWN OF SPRINGFIELD, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2019

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TOWN OF SPRINGFIELD, COLORADO  
ROSTER OF OFFICIALS  
December 31, 2019

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|                |         |
|----------------|---------|
| Lindsay Walker | Mayor   |
| Shannon Mason  | Trustee |
| Robin Ballard  | Trustee |
| Ted Locke      | Trustee |
| Jim Howard     | Trustee |
| Michael Cooper | Trustee |
| Ervin Maltbie  | Trustee |

## FINANCIAL SECTION

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TRINIDAD, COLORADO 81082  
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
the Board of Trustees  
Town of Springfield  
Springfield, CO 81073

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 Springfield, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Springfield, 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, budgetary comparison information, and pension trend data on pages i through ix, and pages 45 through 57 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 basic financial statements that collectively comprise the Town of Springfield's basic financial statements. The combining and individual fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and other schedules 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 combining and individual fund financial statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Dwan, Waller & Co., P.C.*

August 31, 2020

## MANAGEMENT'S DISCUSSION AND ANALYSIS

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the December 31, 2019 financial statements, the Town used a reporting format in compliance with the Governmental Accounting Standards Board Statement Number 34 (GASB 34) that was implemented in 2004. It is a significant change in governmental financial reporting. This change brought about several new financial statements and this narrative titled Management's Discussion and Analysis.

This discussion and analysis of the Town of Springfield's financial performance provides an overview of the Town's financial activities for the fiscal year ended December 31, 2019. Please read it in conjunction with additional information that we have furnished in our letter of transmittal, **and the Town's financial statements beginning on page 3.**

Statements included are:

- Statement of Net Position – a statement that combines the financial position as of December 31, 2019 for all funds on a government-wide basis.
- Statement of Activities – a statement that combines the changes in financial position for the year ended December 31, 2019 for all funds on a government-wide basis.
- Statements for Governmental funds – these present the governmental funds such as the general fund, parks and recreation fund, public improvement fund, and other funds.
- Statements for Business-type funds – these present proprietary funds, such as the Town's Electric, Water and Sewer utility funds.

## **FINANCIAL HIGHLIGHTS**

- The Town of Springfield remains in strong financial condition.
- The assets of the Town of Springfield exceed its liabilities at the close of 2019 by \$10 million (net position). Of this amount, \$4.7million (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$405,106, an increase from the prior year. Sales Tax revenue was more than the budgeted amount by \$158,171. The increase in Sales Tax shows that residents are not traveling out of town to shop as frequently as in previous years. The area south of town was annexed in 2007, this area includes the Dollar General Store, Big R of Springfield and the Springfield Truck Stop.
- At the end of 2019, the Town's governmental funds reported combined ending fund balances of \$1,336,759 an increase of \$253,344 in comparison with the end of 2018.
- At the end of 2019, the unreserved and undesignated fund balance for the general fund was \$1,153,049 which is an increase of \$242,623 from the 2018 balance.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town of Springfield's basic financial statements. The Town of Springfield's basic financial statements are comprised of: Combined Statements – Overview, Financial Statements of Individual Funds & Schedules. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **Basic Financial Statements – Governmental Wide Financial Statements**

These financial statements present information on all the Town of Springfield's assets and liabilities and Fund Equity. This report may serve as a useful indicator of whether the financial position of the Town of Springfield is improving or deteriorating.

### **Combined And Individual Fund Statements and Other Schedules**

These statements present information showing how the accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. 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 various funds are grouped into three broad fund categories as follows:

### **Governmental Funds**

The General Fund is the general operating fund of the Town. The General Fund is principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the Town of Springfield include general government, public safety, streets, culture & welfare, recreation and airport. These 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.

The Conservation Trust Fund is financed by the state and expenditures are for the improvement of park and recreational facilities.

The Town of Springfield adopts an annual appropriated budget for all of its funds. A budgetary comparison compliance statement is provided for each of the major funds.

### **Proprietary Funds.**

The Town of Springfield maintains three different types of proprietary funds. Enterprise funds are operations that are financed and operated in a manner similar to private business-type activities as presented in the Statement of Revenue, Expenditures and Changes in Fund Balance. The Town of Springfield uses the enterprise funds to account for the Electric, Water and Sewer utility functions. The enterprise funds provide goods or services to the general public on a continuing basis to be financed or recovered through user charges.

The basic proprietary fund financial statements can be found on pages 9-12 of this report.

### **Fiduciary Funds**

Trust Funds are used to account for resources held for the benefit of parties outside the government. The Pension Trust Fund is accounted for much like the proprietary funds.

The basic fiduciary fund financial statements can be found on page 13 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the Combined Statement of Revenue, Expenses and changes in Retained Earnings/Fund Balances; Combined Statement of Cash Flows, All Proprietary and Similar Trust Funds.

The notes to the financial statements can be found on pages 13-44 of this report.

As noted earlier, net position may serve as a useful indicator of the Town's financial position. In the case of the Town of Springfield, assets exceed liabilities by \$10 million at the close of 2019.

By far the largest portion of the Town of Springfield's net position reflects its investment in fixed assets (e.g., land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town of Springfield uses these fixed assets to provide services to citizens.

Current assets and current liabilities are generally included on their balance sheet. The statement of revenues, expenditures and changes in fund balance shows revenues and other financing sources and expenditures and other financing uses in net changes in fund balance. The Combined Statement of Revenue, Expenditures and Changes in Fund Balance will provide a summary of sources and uses of available spendable resources during a period. Resources needed to repay debt must be shown as non-operating expenses.

### Town of Springfield Statement of Position

|                                              | Governmental Activities |                    |                    | Business-Type Activities |                    |                    | Total               |                     |                     |
|----------------------------------------------|-------------------------|--------------------|--------------------|--------------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
|                                              | 2017                    | 2018               | 2019               | 2017                     | 2018               | 2019               | 2017                | 2018                | 2019                |
| Current and other Assets                     | \$1,219,023             | \$1,285,403        | \$1,532,814        | \$3,085,408              | \$3,312,362        | \$3,576,193        | \$4,304,431         | \$4,587,765         | \$5,109,007         |
| Net Pension Asset                            | \$170,119               | \$217,699          | \$173,006          |                          |                    |                    | \$170,119           | \$217,699           | \$173,006           |
| Property, Plant & Equip & Fixed assets (Net) | \$2,445,656             | \$2,457,453        | \$2,419,849        | \$3,326,318              | \$3,184,447        | \$2,995,073        | \$5,771,974         | \$5,641,900         | \$5,414,922         |
| <b>Total Assets</b>                          | <b>\$3,794,795</b>      | <b>\$3,860,555</b> | <b>\$4,125,669</b> | <b>\$6,411,726</b>       | <b>\$6,480,423</b> | <b>\$6,571,266</b> | <b>\$10,206,521</b> | <b>\$10,420,978</b> | <b>\$10,896,935</b> |
| Deferred Outflows                            | \$56,551                | \$49,197           | \$94,053           |                          |                    |                    | \$56,551            | \$49,197            | \$94,053            |
| Long-term debt                               | \$186,697               | \$220,787          | \$187,942          | \$263,266                | \$203,965          | \$208,881          | \$449,963           | \$424,752           | \$396,823           |
| Long-term Liabilities                        |                         |                    |                    |                          |                    |                    |                     |                     |                     |
| Other Liabilities                            | \$31,848                | \$21,872           | \$23,189           | \$116,555                | \$187,789          | \$132,694          | \$148,403           | \$209,661           | \$155,883           |
| Unearned Grant                               |                         |                    |                    |                          |                    |                    |                     |                     |                     |
| <b>Total Liabilities</b>                     | <b>\$218,445</b>        | <b>\$242,659</b>   | <b>\$211,131</b>   | <b>\$379,821</b>         | <b>\$391,754</b>   | <b>\$341,575</b>   | <b>\$598,266</b>    | <b>\$634,413</b>    | <b>\$552,706</b>    |
| Deferred Inflows                             | \$148,634               | \$183,875          | \$181,289          |                          |                    |                    | \$148,634           | \$183,875           | \$181,289           |
| Net Position:                                |                         |                    |                    |                          |                    |                    |                     |                     |                     |
| Net Investment in capital assets             | \$2,445,656             | \$2,457,453        | \$2,419,849        | \$3,252,668              | \$2,957,497        | \$2,794,823        | \$5,698,324         | \$5,414,950         | \$5,214,872         |
| Restricted for:                              |                         |                    |                    |                          |                    |                    |                     |                     |                     |
| Parks & Recreation                           | \$57,838                | \$29,201           | \$32,641           |                          |                    |                    | \$57,838            | \$29,201            | \$32,641            |
| Tabor Reserve                                | \$32,000                | \$28,200           | \$34,445           |                          |                    |                    | \$32,000            | \$28,200            | \$34,445            |
| Unrestricted                                 | \$960,155               | \$1,068,364        | \$1,340,367        | \$2,779,237              | \$3,111,172        | \$3,434,868        | \$3,739,392         | \$4,179,536         | \$4,775,235         |
| <b>Total Net Position</b>                    | <b>\$3,495,849</b>      | <b>\$3,583,218</b> | <b>\$3,827,302</b> | <b>\$6,031,905</b>       | <b>\$6,068,669</b> | <b>\$6,229,691</b> | <b>\$9,527,554</b>  | <b>\$9,651,887</b>  | <b>\$10,056,993</b> |

From the above summary, the reader should be aware of the following: unrestricted net position are the part of net position that can be used to finance day-to-day operations without constraints established by debt obligations, legislation or other legal requirements. It is comprised of fund balances, reserves and other monies.

Net position and net expenses of governmental activities combined are helpful as well as looking at them separately. The management and financing of these activities is very different:

Governmental activities are the legislative, executive, administration, police, fire department, street, landfill, parks and airport.

Enterprise activities such as the electric, water and sewer departments are treated as independent businesses the Town operates.

### Changes In Net Position

The Town's total revenues of \$3,474,464 were more program expenses of \$3,069,358 for an increase in net position of \$405,106.

This is the twelfth year to report all activities on the accrual basis of accounting; a detailed comparison to the prior years is possible. This section contains a condensed comparison of revenues and expenses and explanations for significant differences. The Table below shows the summarized revenues and expenses for 2017, 2018, and 2019.

#### Changes in net position

| Revenues:                   | Governmental Activities |             |             | Business-Type Activities |             |             | Total       |             |             |
|-----------------------------|-------------------------|-------------|-------------|--------------------------|-------------|-------------|-------------|-------------|-------------|
|                             | 2017                    | 2018        | 2019        | 2017                     | 2018        | 2019        | 2017        | 2018        | 2019        |
| Charges for services        | \$222,061               | \$219,233   | \$285,096   | \$2,130,140              | \$2,231,948 | \$2,236,205 | \$2,352,201 | \$2,451,181 | \$2,521,301 |
| Oper. Grants & Contrl.      | \$144,779               | \$115,820   | \$123,193   |                          |             |             | \$144,779   | \$115,820   | \$123,193   |
| Capital Grants & Contrib.   | \$10,000                | \$102,867   | \$37,853    |                          |             | \$ 12,620   | \$10,000    | \$102,867   | \$50,473    |
| General Revenues:           |                         |             |             |                          |             |             |             |             |             |
| Property Taxes              | \$147,723               | \$144,246   | \$143,755   |                          |             |             | \$147,723   | \$144,246   | \$143,755   |
| Other Taxes                 | \$375,360               | \$392,263   | \$514,835   |                          |             |             | \$375,380   | \$392,263   | \$514,835   |
| Intergovern. Not Restricted | \$19,012                | \$16,891    | \$21,585    |                          |             |             | \$19,012    | \$16,891    | \$21,585    |
| Other Revenues              | \$28,653                | \$83,196    | \$27,480    |                          |             | \$18,020    | \$19,653    | \$83,196    | \$45,500    |
| Investment Earnings         | \$4,265                 | \$8,197     | \$13,762    | \$11,378                 | \$28,225    | \$40,060    | \$15,643    | \$36,422    | \$53,822    |
| Total Revenues              | \$951,853               | \$1,082,713 | \$1,167,559 | \$2,141,518              | \$2,260,173 | \$2,306,905 | \$3,084,391 | \$3,342,886 | \$3,474,464 |
| Expenses:                   |                         |             |             |                          |             |             |             |             |             |
| Gen. Government             | \$325,877               | \$320,341   | \$299,556   |                          |             |             | \$325,877   | \$320,341   | \$299,556   |
| Public Safety               | \$335,450               | \$322,433   | \$289,805   |                          |             |             | \$335,450   | \$322,433   | \$289,805   |
| Public Works                | \$366,044               | \$340,477   | \$312,047   |                          |             |             | \$366,044   | \$340,477   | \$312,047   |
| Health & Welfare            | \$1,876                 | \$1,043     | \$854       |                          |             |             | \$1,876     | \$1,043     | \$854       |
| Culture & Recreation        | \$59,362                | \$119,721   | \$127,694   |                          |             |             | \$59,362    | \$119,721   | \$127,694   |
| Utilities                   |                         |             |             | \$2,148,675              | \$2,114,538 | \$2,039,402 | \$2,148,675 | \$2,114,538 | \$2,039,402 |
| Total Expenses              | \$1,090,483             | \$1,104,015 | \$1,029,956 | \$2,148,675              | \$2,114,538 | \$2,039,402 | \$3,239,158 | \$3,218,553 | \$3,069,358 |

Increase (Decrease in Net)

|                           |             |             |             |             |             |             |             |             |              |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Position before transfers | \$(138,630) | \$(21,302)  | \$137,603   | \$(7,157)   | \$145,635   | \$267,503   | \$(145,787) | \$124,333   | \$405,106    |
| Transfers                 | \$108,357   | \$108,871   | \$106,481   | \$(108,357) | \$(108,871) | \$(106,481) | \$0         | \$0         | \$0          |
| Increase in net position  | \$(30,273)  | \$87,569    | \$244,084   | \$(115,514) | \$36,764    | \$161,022   | \$(145,787) | \$124,333   | \$405,106    |
| Net Position - Jan. 1     | \$3,525,922 | \$3,495,649 | \$3,583,218 | \$6,147,419 | \$6,031,905 | \$6,031,905 | \$9,673,341 | \$9,527,554 | \$9,651,887  |
| Net Position - Dec. 31    | \$3,495,649 | \$3,583,218 | \$3,827,302 | \$6,031,905 | \$6,068,669 | \$6,068,669 | \$9,527,554 | \$9,651,887 | \$10,056,993 |

**General Fund Budgetary Highlights** -- Overall revenue in the General Fund, less transfers, was \$425,520 under the original budget. Sales and other use tax is the main revenue source for the General Fund. Some revenue sources are:

- Specific Ownership taxes were \$4,536 over budget.
- City Sales Tax, a major revenue source, was \$158,171 more than the budget.
- Franchise Tax, a major revenue source, was \$1,330 more than the budgeted amount.
- Interest income was \$8,693 more than the budgeted amount.
- Highway Users Tax, a major revenue, was \$20,197 more than the budgeted amount.
- The Town received Severance Tax this year in the amount of \$1,301. Severance Tax is based on the number of residents working in the oil and gas fields in our county.
- Transfer In reflects the correct budgeted amount and is 5% of gross sales from the enterprise funds and is shown in the other financing sources section of the report.
- Fines and Forfeits were \$23,893 under the budgeted amount.

The General Fund expenditures were \$1,120,420 less than the budget. The department heads are diligent to review their budgets and do not purchase any items that are not needed. The landfill budgeted for a new cell to be completed in 2019.

The unassigned fund balance is available for spending at the Town's discretion on streets, parks, recreation, and other projects in the General Fund.

- Reduced spending by all departments occurred in 2019.
- Attorney's Fees were over budget by \$24,667.
- The Street Department was under budget in several line items, most notably Salaries, Repairs and Maintenance, and MC-800 Oil & Asphalt due to not having enough employees to do the street maintenance.
- Employee Benefits were under budget by \$44,135 due to having fewer employees and most of the existing employees changing from family plan coverage insurance to employee only coverage.

**Enterprise Funds Budgetary Highlights** - The Town's Enterprise Funds, (Electric, Water and Sewer Funds) charge monthly users fees and this accounts for the bulk of the revenues. The expense budget for the Electric Fund was \$2,210,513 and the actual spent was \$1,447,548. The expense budget for the Water Fund was \$366,207 and the actual spent was \$264,816. The expense budget for the Sewer Fund was \$229,203 and the actual spent was \$164,364.

#### **Electric Department**

- Charges for Services include the revenue from the sale of electricity and the energy cost adjustment. In 2012 the Electric Department took a rate increase, rolling the majority of the energy cost adjustment into the base rate. The amount budgeted for Sales was \$1,760,600. The Electric Department kept a \$.005 cost adjustment. Penalties, pole rental and etc. are shown in the miscellaneous revenues.

- The Electric Department purchases the entire diesel for the town's equipment. The Landfill, Street, Water and Sewer departments reimburse the electric department for their share of the diesel used. The reimbursement for the diesel is shown in the miscellaneous line item.
- The total expenses were less than budgeted by \$762,965. Revenues were \$54,157 less than budgeted.

#### Water Department

- The Water Department spent \$137,846 on system operation in 2019. The cost of water tower maintenance was \$59,519.
- The total expenses were less than budgeted by \$101,391. Revenues were \$3,991 more than budgeted.

#### Sewer Department

- Sewer system operations include Fuel, Chemicals, Plant Supplies, Tools and Lift Station and were under budget by \$4,258.
- Sewer System Maintenance includes cleaning 20,811 linear feet of sewer pipe for \$16,648.80.
- Salaries, Lagoon Maintenance and Vehicle Repairs are in the Administrative and General line item and were under budget by \$37,249.
- The Sewer Department continued testing of the three monitoring wells located at the Wastewater Treatment Facility. There were 3 water taps sold in 2019 and 4 sewer taps sold in 2019 compared to no water taps and no sewer taps in 2018.
- The total expenses were less than budgeted by \$64,839. Revenues were \$11,713 more than budgeted.

## CAPITAL ASSETS

### CAPITAL ASSETS AT YEAR END 2019

#### Net of Accumulated Depreciation

|                              | Governmental Activities |             |             | Business-type Activities |             |             | Total        |              |              |
|------------------------------|-------------------------|-------------|-------------|--------------------------|-------------|-------------|--------------|--------------|--------------|
|                              | 2017                    | 2018        | 2019        | 2017                     | 2018        | 2019        | 2017         | 2018         | 2019         |
| Land (Not Depreciated)       | \$172,168               | \$172,168   | \$172,168   | \$255,798                | \$255,798   | \$255,798   | \$427,966    | \$427,966    | \$427,966    |
| Capital Assets (Depreciated) |                         |             |             |                          |             |             |              |              |              |
| Buildings & System           | \$732,685               | \$876,768   | \$961,518   | \$8,511,538              | \$8,343,973 | \$8,587,153 | \$9,244,223  | \$9,220,741  | \$9,548,671  |
| Improvements                 | \$2,058,285             | \$2,091,372 | \$2,100,150 |                          |             |             | \$2,058,285  | \$2,091,372  | \$2,100,150  |
| Vehicles                     | \$620,372               | \$620,372   | \$654,427   |                          |             |             | \$630,372    | \$630,372    | \$654,427    |
| Equipment                    | \$1,043,537             | \$1,083,045 | \$1,087,394 | \$571,343                | \$829,350   | \$626,545   | \$1,614,880  | \$1,912,395  | \$1,713,939  |
| Infrastructure               | \$352,387               | \$352,387   | \$352,387   |                          |             |             | \$352,387    | \$352,387    | \$352,387    |
| Total Cap. Assets            |                         |             |             |                          |             |             |              |              |              |
| Depreciated                  | \$4,807,266             | \$5,023,944 | \$5,155,876 | \$9,082,881              | \$9,173,323 | \$9,213,698 | \$13,890,147 | \$14,197,267 | \$14,369,571 |
| Less Accumulated             |                         |             |             |                          |             |             |              |              |              |
| Depreciation for:            |                         |             |             |                          |             |             |              |              |              |
| Buildings & System           | \$271,141               | \$295,089   | \$321,862   | \$5,487,658              | \$5,728,797 | \$5,942,172 | \$5,758,799  | \$6,023,886  | \$6,264,034  |
| Improvements                 | \$1,041,896             | \$1,104,519 | \$1,167,581 |                          |             |             | \$1,041,896  | \$1,104,519  | \$1,167,581  |
| Vehicles                     | \$427,020               | \$468,476   | \$480,073   |                          |             |             | \$427,020    | \$468,476    | \$480,073    |
| Equipment                    | \$629,945               | \$680,151   | \$730,632   | \$524,703                | \$515,877   | \$532,251   | \$1,154,648  | \$1,196,028  | \$1,262,883  |
| Infrastructure               | \$172,801               | \$190,424   | \$208,047   |                          |             |             | \$172,801    | \$190,424    | \$208,047    |
| Total Accumulated            |                         |             |             |                          |             |             |              |              |              |
| Depreciation                 | \$2,542,803             | \$2,738,659 | \$2,908,195 | \$6,012,361              | \$6,244,674 | \$6,474,423 | \$8,555,164  | \$8,983,333  | \$9,382,618  |

|                                             |             |             |             |             |             |             |             |             |             |
|---------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Capital Assets being Depreciated, Net | \$2,264,463 | \$2,285,285 | \$2,247,681 | \$3,326,318 | \$3,184,447 | \$2,995,073 | \$5,590,781 | \$5,469,732 | \$5,242,754 |
| Construction in Progress                    | \$9,025     | -           | -           | -           | -           | -           | -           | -           | -           |
| Governmental Activities Capital Assets, Net | \$2,445,656 | \$2,457,453 | \$2,419,849 |             |             |             | \$2,445,656 | \$2,457,453 | \$2,419,849 |
| Business-Type Activities Capital Assets Net |             |             |             | \$3,326,318 | \$3,184,447 | \$2,995,073 | \$5,771,974 | \$5,641,900 | \$5,414,921 |

As of the end of 2019, The Town of Springfield Governmental Activities and Business-Type Activities has invested \$14,797,540 in a broad range of capital assets.

Beginning in 2004, general infrastructure assets are depreciated. Total depreciation expense for the Governmental Activities in 2019 is \$187,521 and the total depreciation for the Business Type Activities is \$229,749. The Town of Springfield depreciates capital assets, except land and water rights, using the straight-line depreciation method and a predetermined useful life of the asset. Infrastructure includes only roads added to inventory since 2004. Complete infrastructure inventory will be included in capital assets in subsequent years.

## LONG-TERM DEBT

### LONG TERM DEBT AT YEAR END Governmental Activities

|                                             | 2017      | 2018      | 2019      |
|---------------------------------------------|-----------|-----------|-----------|
| Lease Purchase Agree.                       | \$0       | \$0       | \$0       |
| Landfill closure cost/<br>Post closure cost | \$161,550 | \$175,164 | \$138,152 |
| Compensated Absences                        | \$19,607  | \$9,237   | \$13,347  |
| Total                                       | \$181,157 | \$184,401 | \$151,499 |
| Business – Type Activities                  |           |           |           |
| Notes Payable                               | \$253,650 | \$226,950 | \$200,250 |
| Compensated Absences                        | \$9,616   | \$13,401  | \$8,631   |
| Total                                       | \$263,266 | \$240,351 | \$208,881 |

## Water Fund

Water Pollution Control Revolving Fund payable to Colorado Water Resources and Power Development Authority, dated July 28, 2000, maturing serially on November 1, 2000 through May 1, 2020 and Bearing Interest at a rate of 4.5%.

The loan was paid off in 2015.

## **Sewer Fund**

Water Pollution Control Revolving Fund payable to Colorado Water Resources and Power Development Authority, dated June 30, 2000, maturing serially on May 1, 2001 through November 1, 2020 and Bearing Interest at a rate of 4.00%

This load was paid off January 2017.

Water Pollution Control Revolving Fund, Disadvantaged Communities Loan Program, dated December 20, 2006, maturing serially on November 1, 2007 through May 1, 2027, bearing interest at a rate of 0.00%.

Total remaining principal and interest is \$200,250.

Total Loans Payable: \$208,881.

Colorado Water Resources Power Development requires that the Water and Sewer Loan Agreements require that the Town maintain an operations and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation, of the system as set forth in the annual budget for the current fiscal year. The required reserve for the Sewer Fund is. \$29,370

The rate covenant also states that the Town maintain a revenue equal to or greater than 110% of the debt service. In 2019 this is equal to \$59,142 for the Sewer Fund.

## **General Fund**

The estimated cost for post closure care of the Landfill is \$138,152. The Town expects to close the landfill in the year 2044. The estimate of cost for final closure is \$59,198. Current closure and post/closure costs were \$16,689.

These costs were primarily due to closure costs and the monitoring of landfill wells. Approximately 41% of the total new landfill capacity has been used.

## **Defined Benefit Pension Plan – Firemen and Policemen**

Full time Town policemen are eligible to participate in the Town of Springfield Police Pension Fund. As a fire or police department affiliated with the Fire and Police Pension Association and having “old hire” or Local plan “new hire” employees our department is provided an actuarial study every two years at no additional cost to the Town. Gary Armitage is the only Town policeman that qualified under the “old hire” police pension plan. See Resolutions No. 79 and 08-05. The total ending balance, Dec. 31, 2019 of the “Old hire” pension plan was \$376,170. Mr. Armitage receives \$3,667 per month police retirement.

The Police “New Hire” participate in the Supplemental Retirement Plan, the total contribution rate required to adequately fund the plan for 2019 is 9.5% of payroll. The rate split between the employer and employee is 4% for the employer and 5.5% for the employee. The Town participates in the Supplemental Death and Disability Plan, the total contribution rate required for 2018 is 2.8% of base salary. The rate split between the employer and employee is 1.4 % each.

**Fire and Police Pension Association:**

The Fire and Police Pension Association (FPPA) received and approved the Town of Springfield's resolution of affiliation relating to our local volunteer firefighter pension plan which was established pursuant to Part 11 of Article 30, Title 31, Colorado Revised Statutes, as amended. The Town transfer of assets was \$96,531.91 on August 12, 1999. These funds are administered by FPPA, which is responsible for investment of the assets. FPPA will be responsible for the annual budgeted contribution of \$2,199 in 2019 and the State contribution of \$1,979 in 2019. The Fire and Police Pension Association ending Dec. 31, 2018, balance was \$167,819. The Town has two retired firemen that receive a monthly benefit of \$100 per month. The Town's volunteer fire department currently has 15 volunteer firemen. The normal retirement age is 50 years and maximum service is 20 years.

**Defined Contribution Plans**

The Town provides pension benefits for all non-fire or police full time employees through a defined contribution plan of the Colorado County Officials and Employees Retirement Association. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees contribute 3% of their salary to the plan with an equal amount contributed by the Town. The Town's total payroll for fiscal year 2019 was \$534,980. The salary for which contributions were calculated was \$315,313. The Town and employees each made the required 3% contributions of \$9,459 or \$18,918 in total.

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 with CCOERA. Eligible voluntary employee contributions were \$16,354 for 2019.

**Intergovernmental Agreement**

The Town of Springfield is a member of the Colorado Intergovernmental Risk Sharing Agency, a self-insurance pool to provide defined coverage and claims and risk management services. The Town has a deductible of \$1,000 for each Liability, Auto Liability, Property and Auto Physical Damage per occurrence basis.

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency for Worker's Compensation. Coverage and limits for workers' compensation is to statutory limits and Employer's Liability is to \$2,000,000 each accident.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Assessed valuation used for the 2019 budget preparation is \$2,736 less than 2018. The maximum mill levy that may be certified is dependent upon the revenue that is being levied. There is general agreement among practitioners that the more restrictive of the two revenue limits ("5.5%" or TABOR) must be respected, disallowing the levying of the greater amount of revenue which would be allowed under the other limit. Due to TABOR, the Town's mill levy for the 2019 budget is 21.46 mills.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances. If you have questions about this report or need additional financial information, please contact the Town's Budget Officer, Merna McGinnis, at 748 Main Street, Springfield, Colorado 81073, or by calling 719-523-4528.

\* information gathered from CML, City of Westminster, 2019 audit prepared by Dixon, Waller & Co.

## BASIC FINANCIAL STATEMENTS

TOWN OF SPRINGFIELD, COLORADO  
STATEMENT OF NET POSITION  
December 31, 2019

|                                                                          | <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> | <u>Total</u>      |
|--------------------------------------------------------------------------|------------------------------------|-------------------------------------|-------------------|
| <b><u>ASSETS</u></b>                                                     |                                    |                                     |                   |
| Cash and Cash Equivalents                                                | 1,250,235                          | 3,018,835                           | 4,269,070         |
| Receivables (Net, where Applicable, of<br>Allowance for Uncollectibles): |                                    |                                     |                   |
| Accounts                                                                 | 124,420                            | 208,268                             | 332,688           |
| Accrued Interest                                                         | 390                                | 1,799                               | 2,189             |
| Property Taxes                                                           | 148,491                            | -                                   | 148,491           |
| Inventories                                                              | 9,278                              | 322,916                             | 332,194           |
| Interfund Receivable                                                     | -                                  | 24,375                              | 24,375            |
| Net Pension Asset                                                        | 173,006                            | -                                   | 173,006           |
| Fixed Assets (Net)                                                       | <u>2,419,849</u>                   | <u>2,995,073</u>                    | <u>5,414,922</u>  |
| <u>Total Assets</u>                                                      | <u>4,125,669</u>                   | <u>6,571,266</u>                    | <u>10,696,935</u> |
| <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>                             |                                    |                                     |                   |
| Pension                                                                  | <u>94,053</u>                      | <u>-</u>                            | <u>94,053</u>     |
| <u>Total Deferred Outflows of Resources</u>                              | <u>94,053</u>                      | <u>-</u>                            | <u>94,053</u>     |
| <b><u>LIABILITIES</u></b>                                                |                                    |                                     |                   |
| Accounts Payable                                                         | 23,189                             | 132,694                             | 155,883           |
| Interfund Payable                                                        | 24,375                             | -                                   | 24,375            |
| Net Pension Liability                                                    | 12,068                             | -                                   | 12,068            |
| Noncurrent Liabilities:                                                  |                                    |                                     |                   |
| Due Within One Year                                                      | -                                  | 26,700                              | 26,700            |
| Due in More Than One Year                                                | -                                  | 173,550                             | 173,550           |
| Accrued Vacation Payable                                                 | 13,347                             | 8,631                               | 21,978            |
| Landfill Closure and Post-Closure Costs                                  | <u>138,152</u>                     | <u>-</u>                            | <u>138,152</u>    |
| <u>Total Liabilities</u>                                                 | <u>211,131</u>                     | <u>341,575</u>                      | <u>552,706</u>    |
| <b><u>DEFERRED INFLOW OF RESOURCES</u></b>                               |                                    |                                     |                   |
| Property Tax                                                             | 148,491                            | -                                   | 148,491           |
| Pension                                                                  | <u>32,798</u>                      | <u>-</u>                            | <u>32,798</u>     |
| <u>Total Deferred Inflow of Resources</u>                                | <u>181,289</u>                     | <u>-</u>                            | <u>181,289</u>    |
| <b><u>NET POSITION</u></b>                                               |                                    |                                     |                   |
| Net Investment in Capital Assets                                         | 2,419,849                          | 2,794,823                           | 5,214,672         |
| Restricted for:                                                          |                                    |                                     |                   |
| Parks and Recreation                                                     | 32,641                             | -                                   | 32,641            |
| Tabor Reserve                                                            | 34,445                             | -                                   | 34,445            |
| Unrestricted                                                             | <u>1,340,367</u>                   | <u>3,434,868</u>                    | <u>4,775,235</u>  |
| <u>Total Net Position</u>                                                | <u>3,827,302</u>                   | <u>6,229,691</u>                    | <u>10,056,993</u> |

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

TOWN OF SPRINGFIELD, COLORADO  
STATEMENT OF ACTIVITIES  
Year Ended December 31, 2019

| Functions/Programs                            | Expenses         | Program Revenues        |                                        |                                      | Net (Expense) Revenue and<br>Changes in Net Position |                                |                   |
|-----------------------------------------------|------------------|-------------------------|----------------------------------------|--------------------------------------|------------------------------------------------------|--------------------------------|-------------------|
|                                               |                  | Charges for<br>Services | Operating<br>Grants &<br>Contributions | Capital<br>Grants &<br>Contributions | Governmental<br>Activities                           | Business<br>Type<br>Activities | Total             |
| <u>Governmental Activities</u>                |                  |                         |                                        |                                      |                                                      |                                |                   |
| General Government                            | 290,044          | 7,797                   | -                                      | 37,853                               | (244,394)                                            | -                              | (244,394)         |
| Public Safety                                 | 289,805          | 33,957                  | 19,479                                 | -                                    | (236,369)                                            | -                              | (236,369)         |
| Public Works                                  | 312,047          | 243,342                 | 95,935                                 | -                                    | 27,230                                               | -                              | 27,230            |
| Health & Welfare                              | 854              | -                       | -                                      | -                                    | (854)                                                | -                              | (854)             |
| Parks & Recreation                            | 127,694          | -                       | 7,779                                  | -                                    | (119,915)                                            | -                              | (119,915)         |
| Pension                                       | <u>9,512</u>     | <u>-</u>                | <u>-</u>                               | <u>-</u>                             | <u>(9,512)</u>                                       | <u>-</u>                       | <u>(9,512)</u>    |
| Total Governmental Activities                 | <u>1,029,956</u> | <u>285,096</u>          | <u>123,193</u>                         | <u>37,853</u>                        | <u>(583,814)</u>                                     | <u>-</u>                       | <u>(583,814)</u>  |
| <u>Business Type Activities</u>               |                  |                         |                                        |                                      |                                                      |                                |                   |
| Electric                                      | 1,516,805        | 1,733,479               | -                                      | -                                    | -                                                    | 216,674                        | 216,674           |
| Water                                         | 343,019          | 318,540                 | -                                      | 6,310                                | -                                                    | (18,169)                       | (18,169)          |
| Sewer                                         | <u>179,578</u>   | <u>184,186</u>          | <u>-</u>                               | <u>6,310</u>                         | <u>-</u>                                             | <u>10,918</u>                  | <u>10,918</u>     |
| Total Business Type Activities                | <u>2,039,402</u> | <u>2,236,205</u>        | <u>-</u>                               | <u>12,620</u>                        | <u>-</u>                                             | <u>209,423</u>                 | <u>209,423</u>    |
| Total Primary Government                      | <u>3,069,358</u> | <u>2,521,301</u>        | <u>123,193</u>                         | <u>50,473</u>                        | <u>(583,814)</u>                                     | <u>209,423</u>                 | <u>(374,391)</u>  |
| <u>General Revenues:</u>                      |                  |                         |                                        |                                      |                                                      |                                |                   |
| Property Taxes                                |                  |                         |                                        |                                      | 143,755                                              | -                              | 143,755           |
| Specific Ownership Taxes                      |                  |                         |                                        |                                      | 19,536                                               | -                              | 19,536            |
| Sales and Use Taxes                           |                  |                         |                                        |                                      | 468,171                                              | -                              | 468,171           |
| Franchise Taxes                               |                  |                         |                                        |                                      | 27,128                                               | -                              | 27,128            |
| Intergovernmental Not Specifically Restricted |                  |                         |                                        |                                      | 21,585                                               | -                              | 21,585            |
| Interest Revenue                              |                  |                         |                                        |                                      | 13,762                                               | 40,060                         | 53,822            |
| Gain (Loss) on Sales of Assets                |                  |                         |                                        |                                      | -                                                    | -                              | -                 |
| Insurance Proceeds                            |                  |                         |                                        |                                      | -                                                    | 18,020                         | 18,020            |
| Other Revenues                                |                  |                         |                                        |                                      | 22,526                                               | -                              | 22,526            |
| Pension                                       |                  |                         |                                        |                                      | 4,954                                                | -                              | 4,954             |
| Transfers In (Out)                            |                  |                         |                                        |                                      | <u>106,481</u>                                       | <u>(106,481)</u>               | <u>-</u>          |
| Total General Revenues and Transfers          |                  |                         |                                        |                                      | <u>827,898</u>                                       | <u>(48,401)</u>                | <u>779,497</u>    |
| Change in Net Position                        |                  |                         |                                        |                                      | 244,084                                              | 161,022                        | 405,106           |
| Net Position – Beginning                      |                  |                         |                                        |                                      | <u>3,583,218</u>                                     | <u>6,068,669</u>               | <u>9,651,887</u>  |
| Net Position Ending                           |                  |                         |                                        |                                      | <u>3,827,302</u>                                     | <u>6,229,691</u>               | <u>10,056,993</u> |

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

TOWN OF SPRINGFIELD, COLORADO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2019

|                                                                  | General<br>Fund  | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|------------------------------------------------------------------|------------------|--------------------------------|--------------------------------|
| <u>ASSETS:</u>                                                   |                  |                                |                                |
| Cash and Cash Equivalents                                        | 1,110,248        | 139,987                        | 1,250,235                      |
| Receivables (Net of Allowance Where<br>Applicable):              |                  |                                |                                |
| Accounts, Grants, Notes                                          | 124,420          | -                              | 124,420                        |
| Property Tax                                                     | 148,491          | -                              | 148,491                        |
| Accrued Revenue                                                  | -                | -                              | -                              |
| Inventories                                                      | 9,278            | -                              | 9,278                          |
| Accrued Interest                                                 | 390              | -                              | 390                            |
| <u>Total Assets</u>                                              | <u>1,392,827</u> | <u>139,987</u>                 | <u>1,532,814</u>               |
| <u>DEFERRED OUTFLOW OF RESOURCES</u>                             | <u>-</u>         | <u>-</u>                       | <u>-</u>                       |
| <u>LIABILITIES</u>                                               |                  |                                |                                |
| Accounts Payable                                                 | 23,189           | -                              | 23,189                         |
| Interfund Payable                                                | 24,375           | -                              | 24,375                         |
| Unearned Grant Receipts                                          | -                | -                              | -                              |
| <u>Total Liabilities</u>                                         | <u>47,564</u>    | <u>-</u>                       | <u>47,564</u>                  |
| <u>DEFERRED INFLOW OF RESOURCES</u>                              |                  |                                |                                |
| Property Tax                                                     | <u>148,491</u>   | <u>-</u>                       | <u>148,491</u>                 |
| <u>Fund Balances:</u>                                            |                  |                                |                                |
| Nonspendable:                                                    |                  |                                |                                |
| Inventories                                                      | 9,278            | -                              | 9,278                          |
| Restricted for:                                                  |                  |                                |                                |
| Emergencies                                                      | 34,445           | -                              | 34,445                         |
| Culture and Recreation                                           | -                | 32,641                         | 32,641                         |
| Assigned for:                                                    |                  |                                |                                |
| Public Safety                                                    | -                | 107,346                        | 107,346                        |
| Unassigned                                                       | <u>1,153,049</u> | <u>-</u>                       | <u>1,153,049</u>               |
| <u>Total Fund Balances</u>                                       | <u>1,196,772</u> | <u>139,987</u>                 | <u>1,336,759</u>               |
| <u>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS AND FUND BALANCES</u> | <u>1,392,827</u> | <u>139,987</u>                 | <u>1,532,814</u>               |

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

TOWN OF SPRINGFIELD, COLORADO  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
December 31, 2019

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Amounts reported for governmental activities in the statement of the net position are different because:

|                                                                                                                                                                                                                              |                 |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------|
| <u>Total Fund Balance – Governmental Funds</u>                                                                                                                                                                               |                 | 1,336,759        |
| Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$5,328,044 and the accumulated depreciation is \$2,908,195.             |                 | 2,419,849        |
| Net pension asset, net pension liability, deferred outflows, and deferred inflows related to pensions are not current financial resources and therefore are not reported as assets or liabilities in the governmental funds. |                 | 222,193          |
| Long-term liabilities, including leases, landfill closure and post-closure costs, interest payable and vacation payable are not due and payable in the current period and therefore are not reported in funds.               |                 |                  |
| Landfill Closure and Post-Closure Costs                                                                                                                                                                                      | (138,152)       |                  |
| Accrued Vacation Payable                                                                                                                                                                                                     | <u>(13,347)</u> | <u>(151,499)</u> |
| <u>Total Net Position – Governmental Activities</u>                                                                                                                                                                          |                 | <u>3,827,302</u> |

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

TOWN OF SPRINGFIELD, COLORADO  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended December 31, 2019

|                                                                      | General<br>Fund  | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|----------------------------------------------------------------------|------------------|--------------------------------|--------------------------------|
| <u>REVENUES:</u>                                                     |                  |                                |                                |
| Taxes                                                                | 163,291          | -                              | 163,291                        |
| Special Assessments                                                  | -                | -                              | -                              |
| Licenses and Permits                                                 | 2,077            | -                              | 2,077                          |
| Intergovernmental Revenues                                           | 631,243          | 25,279                         | 656,522                        |
| Charges for Services                                                 | 243,342          | -                              | 243,342                        |
| Franchise Fees                                                       | 27,128           | -                              | 27,128                         |
| Interest Revenue                                                     | 12,111           | 1,651                          | 13,762                         |
| Proceeds from Sale of Property                                       | -                | -                              | -                              |
| Fines and Forfeits                                                   | 33,957           | -                              | 33,957                         |
| Contributions and Donations                                          | -                | 16                             | 16                             |
| Miscellaneous Revenues                                               | 22,118           | 392                            | 22,510                         |
| <u>Total Revenues</u>                                                | <u>1,135,267</u> | <u>27,338</u>                  | <u>1,162,605</u>               |
| <u>EXPENDITURES:</u>                                                 |                  |                                |                                |
| General Government                                                   | 276,575          | -                              | 276,575                        |
| Public Safety                                                        | 226,445          | 32,487                         | 258,932                        |
| Public Works                                                         | 267,639          | -                              | 267,639                        |
| Health and Welfare                                                   | 854              | -                              | 854                            |
| Culture and Recreation                                               | 57,419           | 4,406                          | 61,825                         |
| Capital Outlay                                                       | 149,917          | -                              | 149,917                        |
| Debt Service                                                         | -                | -                              | -                              |
| <u>Total Expenditures</u>                                            | <u>978,849</u>   | <u>36,893</u>                  | <u>1,015,742</u>               |
| <u>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</u> | <u>156,418</u>   | <u>(9,555)</u>                 | <u>146,863</u>                 |
| <u>OTHER FINANCING SOURCES (USES):</u>                               |                  |                                |                                |
| Proceeds from Sale of Property                                       | -                | -                              | -                              |
| Operating Transfers In (Out)                                         | 88,981           | 17,500                         | 106,481                        |
| <u>Total Other Financing Sources (Uses)</u>                          | <u>88,981</u>    | <u>17,500</u>                  | <u>106,481</u>                 |
| <u>NET CHANGES IN FUND BALANCES</u>                                  | <u>245,399</u>   | <u>7,945</u>                   | <u>253,344</u>                 |
| <u>FUND BALANCES – Beginning</u>                                     | <u>951,373</u>   | <u>132,042</u>                 | <u>1,083,415</u>               |
| <u>FUND BALANCES - Ending</u>                                        | <u>1,196,772</u> | <u>139,987</u>                 | <u>1,336,759</u>               |

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

TOWN OF SPRINGFIELD, COLORADO  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2019

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Amounts reported for governmental activities in the statement of activities are different because:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                   |                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------|
| <u>Net Change in Fund Balances – Total Governmental Funds</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                   | 253,344        |
| <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$2,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>                                                                                                                                                                                                                                    |                                   |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Capital Outlays more than \$2,000 | 149,917        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Depreciation Expense              | (187,521)      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                   | (37,604)       |
| <p>GASB 68 Pension Income/Expense is not reported in the governmental funds but is reported as an expenditure in the Statement of Activities.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                   |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                   | (4,558)        |
| <p>Compensated absences are reported as an expense in the statement of activities. However, Governmental funds do not report compensated absences as an expenditure until they are paid.</p>                                                                                                                                                                                                                                                                                                                                                                                                                          |                                   |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                   | (4,110)        |
| <p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued; whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p> |                                   |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Repayment of Debt Principal       | -              |
| <p>In the statement of activities landfill closure costs are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount paid). During the year, landfill closure cost increased by this amount.</p>                                                                                                                                                                                                                                                                           |                                   |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                   | 37,012         |
| <u>Change in Net Position of Governmental Activities</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                   | <u>244,084</u> |

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

TOWN OF SPRINGFIELD, COLORADO  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
December 31, 2019

|                                            | <u>Business Type Activities – Enterprise Funds</u> |                       |                       |                  |
|--------------------------------------------|----------------------------------------------------|-----------------------|-----------------------|------------------|
|                                            | <u>Electric<br/>Fund</u>                           | <u>Water<br/>Fund</u> | <u>Sewer<br/>Fund</u> | <u>Totals</u>    |
| <u>ASSETS</u>                              |                                                    |                       |                       |                  |
| <u>Current Assets</u>                      |                                                    |                       |                       |                  |
| Cash and Cash Equivalents                  | 1,678,015                                          | 839,544               | 501,276               | 3,018,835        |
| Receivables:                               |                                                    |                       |                       |                  |
| Accounts                                   | 146,913                                            | 17,251                | 16,866                | 181,030          |
| Other                                      | 26,960                                             | -                     | -                     | 26,960           |
| Interest                                   | 999                                                | 768                   | 32                    | 1,799            |
| Accrued                                    | -                                                  | 139                   | 139                   | 278              |
| Inventories                                | 289,227                                            | 30,388                | 3,301                 | 322,916          |
| Interfund Receivable                       | 24,375                                             | -                     | -                     | 24,375           |
| Prepaid Expense                            | -                                                  | -                     | -                     | -                |
| <u>Total Current Assets</u>                | <u>2,166,489</u>                                   | <u>888,090</u>        | <u>521,614</u>        | <u>3,576,193</u> |
| <u>Property, Plant and Equipment</u>       |                                                    |                       |                       |                  |
| Land and Water Rights                      | 24,004                                             | 221,418               | 10,376                | 255,798          |
| Buildings & Improvements                   | 118,116                                            | -                     | -                     | 118,116          |
| Utility System                             | 3,668,632                                          | 3,138,900             | 1,661,505             | 8,469,037        |
| Equipment                                  | 459,204                                            | 166,916               | 425                   | 626,545          |
|                                            | 4,269,956                                          | 3,527,234             | 1,672,306             | 9,469,496        |
| Less Accumulated Depreciation              | (3,160,260)                                        | (2,499,421)           | (814,742)             | (6,474,423)      |
| <u>Net Property, Plant &amp; Equipment</u> | <u>1,109,696</u>                                   | <u>1,027,813</u>      | <u>857,564</u>        | <u>2,995,073</u> |
| <u>TOTAL ASSETS</u>                        | <u>3,276,185</u>                                   | <u>1,915,903</u>      | <u>1,379,178</u>      | <u>6,571,266</u> |
| <u>DEFERRED OUTFLOW OF RESOURCES</u>       |                                                    |                       |                       |                  |
| Other                                      | -                                                  | -                     | -                     | -                |
| <u>LIABILITIES</u>                         |                                                    |                       |                       |                  |
| <u>Current Liabilities</u>                 |                                                    |                       |                       |                  |
| Accounts Payable                           | 106,036                                            | 7,670                 | 18,988                | 132,694          |
| Accrued Interest Payable                   | -                                                  | -                     | -                     | -                |
| Interfund Payable                          | -                                                  | -                     | -                     | -                |
| Notes Payable - Current                    | -                                                  | -                     | 26,700                | 26,700           |
| <u>Total Current Liabilities</u>           | <u>106,036</u>                                     | <u>7,670</u>          | <u>45,688</u>         | <u>159,394</u>   |
| <u>Noncurrent Liabilities</u>              |                                                    |                       |                       |                  |
| Accrued Vacation Payable                   | 2,097                                              | 3,465                 | 3,069                 | 8,631            |
| Note Payable                               | -                                                  | -                     | 173,550               | 173,550          |
| <u>Total Long-Term Liabilities</u>         | <u>2,097</u>                                       | <u>3,465</u>          | <u>176,619</u>        | <u>182,181</u>   |
| <u>TOTAL LIABILITIES</u>                   | <u>108,133</u>                                     | <u>11,135</u>         | <u>222,307</u>        | <u>341,575</u>   |
| <u>DEFERRED INFLOW OF RESOURCES</u>        |                                                    |                       |                       |                  |
| Other                                      | -                                                  | -                     | -                     | -                |
| <u>NET POSITION</u>                        |                                                    |                       |                       |                  |
| Net Investment in Capital Assets           | 1,109,696                                          | 1,027,813             | 657,314               | 2,794,823        |
| Unrestricted                               | 2,058,356                                          | 876,955               | 499,557               | 3,434,868        |
| <u>TOTAL NET POSITION</u>                  | <u>3,168,052</u>                                   | <u>1,904,768</u>      | <u>1,156,871</u>      | <u>6,229,691</u> |

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

TOWN OF SPRINGFIELD, COLORADO  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
Year Ended December 31, 2019

|                                                 | <u>Business Type Activities – Enterprise Funds</u> |                       |                       |                  |
|-------------------------------------------------|----------------------------------------------------|-----------------------|-----------------------|------------------|
|                                                 | <u>Electric<br/>Fund</u>                           | <u>Water<br/>Fund</u> | <u>Sewer<br/>Fund</u> | <u>Totals</u>    |
| <u>Operating Revenues</u>                       |                                                    |                       |                       |                  |
| Charges for Services                            | 1,691,761                                          | 307,745               | 178,877               | 2,178,383        |
| Other                                           | 41,718                                             | 10,795                | 5,309                 | 57,822           |
| <u>Total Operating Revenues</u>                 | <u>1,733,479</u>                                   | <u>318,540</u>        | <u>184,186</u>        | <u>2,236,205</u> |
| <u>Operating Expenses</u>                       |                                                    |                       |                       |                  |
| Purchased Power                                 | 1,251,931                                          | -                     | -                     | 1,251,931        |
| System Operation                                | 25,586                                             | 137,846               | 3,842                 | 167,274          |
| System Maintenance                              | 40,896                                             | 38,674                | 68,588                | 148,158          |
| Administrative & General                        | 109,417                                            | 75,614                | 52,614                | 237,645          |
| Depreciation                                    | 84,392                                             | 90,823                | 54,534                | 229,749          |
| Capital Outlay                                  | 4,583                                              | 62                    | -                     | 4,645            |
| Other                                           | -                                                  | -                     | -                     | -                |
| <u>Total Operating Expenses</u>                 | <u>1,516,805</u>                                   | <u>343,019</u>        | <u>179,578</u>        | <u>2,039,402</u> |
| <u>Operating Income (Loss)</u>                  | <u>216,674</u>                                     | <u>(24,479)</u>       | <u>4,608</u>          | <u>196,803</u>   |
| <u>Non-Operating Revenues (Expenses)</u>        |                                                    |                       |                       |                  |
| Interest Revenue                                | 23,914                                             | 10,819                | 5,327                 | 40,060           |
| Interest Expense                                | -                                                  | -                     | -                     | -                |
| Insurance Proceeds                              | 18,020                                             | -                     | -                     | 18,020           |
| Grants                                          | -                                                  | 6,310                 | 6,310                 | 12,620           |
| Gain on Sale of Property                        | -                                                  | -                     | -                     | -                |
| <u>Total Non-Operating Revenues (Expenses)</u>  | <u>41,934</u>                                      | <u>17,129</u>         | <u>11,637</u>         | <u>70,700</u>    |
| <u>INCOME (LOSS) BEFORE OPERATING TRANSFERS</u> | <u>258,608</u>                                     | <u>(7,350)</u>        | <u>16,245</u>         | <u>267,503</u>   |
| <u>OPERATING TRANSFERS IN (OUT) (NET)</u>       | <u>(83,000)</u>                                    | <u>(14,701)</u>       | <u>(8,780)</u>        | <u>(106,481)</u> |
| <u>CHANGE IN NET POSITION</u>                   | <u>175,608</u>                                     | <u>(22,051)</u>       | <u>7,465</u>          | <u>161,022</u>   |
| <u>TOTAL NET POSITION, Beginning</u>            | <u>2,992,444</u>                                   | <u>1,926,819</u>      | <u>1,149,406</u>      | <u>6,068,669</u> |
| <u>TOTAL NET POSITION, Ending</u>               | <u>3,168,052</u>                                   | <u>1,904,768</u>      | <u>1,156,871</u>      | <u>6,229,691</u> |

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

TOWN OF SPRINGFIELD, COLORADO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended December 31, 2019

|                                                                                | <u>Business Type Activities – Enterprise Funds</u> |                       |                       |                  |
|--------------------------------------------------------------------------------|----------------------------------------------------|-----------------------|-----------------------|------------------|
|                                                                                | <u>Electric<br/>Fund</u>                           | <u>Water<br/>Fund</u> | <u>Sewer<br/>Fund</u> | <u>Totals</u>    |
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u>                                    |                                                    |                       |                       |                  |
| Receipts from Customers & Users                                                | 1,711,005                                          | 320,360               | 183,601               | 2,214,966        |
| Payments for Employee Salaries & Benefits                                      | (68,350)                                           | (82,372)              | (81,781)              | (232,503)        |
| Payments to Vendors – Supplies and Services                                    | (1,406,582)                                        | (190,816)             | (25,279)              | (1,622,677)      |
| <u>NET CASH PROVIDED BY OPERATIONS</u>                                         | <u>236,073</u>                                     | <u>47,172</u>         | <u>76,541</u>         | <u>359,786</u>   |
| <u>CASH FLOWS FROM NON-CAPITAL<br/>FINANCING ACTIVITIES</u>                    |                                                    |                       |                       |                  |
| Interfund                                                                      | 12,011                                             | -                     | -                     | 12,011           |
| Transfers – Other Funds                                                        | (83,000)                                           | (14,701)              | (8,780)               | (106,481)        |
| Other Revenue                                                                  | <u>18,020</u>                                      | <u>-</u>              | <u>-</u>              | <u>18,020</u>    |
| <u>NET CASH PROVIDED (USED) – NON<br/>CAPITAL FINANCING ACTIVITIES</u>         | <u>(52,969)</u>                                    | <u>(14,701)</u>       | <u>(8,780)</u>        | <u>(76,450)</u>  |
| <u>CASH FLOWS FROM CAPITAL AND<br/>RELATED FINANCING ACTIVITIES</u>            |                                                    |                       |                       |                  |
| Non-Financed Purchase of Property & Equipment                                  | (15,135)                                           | (12,620)              | (12,620)              | (40,375)         |
| Capital Grants                                                                 | -                                                  | 6,310                 | 6,310                 | 12,620           |
| Gain on Sale of Property                                                       | -                                                  | -                     | -                     | -                |
| Interest Paid on Debt                                                          | -                                                  | -                     | -                     | -                |
| Principal Paid on Debt                                                         | <u>-</u>                                           | <u>-</u>              | <u>(26,700)</u>       | <u>(26,700)</u>  |
| <u>NET CASH PROVIDED (USED) – CAPITAL<br/>AND RELATED FINANCING ACTIVITIES</u> | <u>(15,135)</u>                                    | <u>(6,310)</u>        | <u>(33,010)</u>       | <u>(54,455)</u>  |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>                                    |                                                    |                       |                       |                  |
| Investments (Purchased)                                                        | -                                                  | -                     | -                     | -                |
| Interest Received                                                              | <u>23,757</u>                                      | <u>10,817</u>         | <u>5,358</u>          | <u>39,932</u>    |
| <u>NET CASH PROVIDED (USED) – INVESTING<br/>ACTIVITIES</u>                     | <u>23,757</u>                                      | <u>10,817</u>         | <u>5,358</u>          | <u>39,932</u>    |
| <u>NET INCREASE (DECREASE) IN CASH AND<br/>CASH EQUIVALENTS</u>                | <u>191,726</u>                                     | <u>36,978</u>         | <u>40,109</u>         | <u>268,813</u>   |
| <u>CASH AND CASH EQUIVALENTS – Beginning</u>                                   | <u>1,486,289</u>                                   | <u>802,566</u>        | <u>461,167</u>        | <u>2,750,022</u> |
| <u>CASH AND CASH EQUIVALENTS – Ending</u>                                      | <u>1,678,015</u>                                   | <u>839,544</u>        | <u>501,276</u>        | <u>3,018,835</u> |
| <u>RECONCILIATION OF CASH FLOWS FROM<br/>OPERATING ACTIVITIES</u>              |                                                    |                       |                       |                  |
| Operating Income (Loss)                                                        | 216,674                                            | (24,479)              | 4,608                 | 196,803          |
| Non Cash Items in Operations:                                                  |                                                    |                       |                       |                  |
| Depreciation Expense                                                           | 84,392                                             | 90,823                | 54,534                | 229,749          |
| (Increase) Decrease in Inventory                                               | 11,087                                             | 3,477                 | (226)                 | 14,338           |
| (Increase) Decrease in Receivables/Accruals                                    | (22,474)                                           | 1,820                 | (585)                 | (21,239)         |
| Increase (Decrease) in Payables/Accruals                                       | <u>(53,606)</u>                                    | <u>(24,469)</u>       | <u>18,210</u>         | <u>(59,865)</u>  |
| <u>NET CASH PROVIDED BY (USED FOR) BY<br/>OPERATING ACTIVITIES</u>             | <u>236,073</u>                                     | <u>47,172</u>         | <u>76,541</u>         | <u>359,786</u>   |
| <u>NONCASH INVESTING, CAPITAL AND<br/>FINANCING ACTIVITIES</u>                 |                                                    |                       |                       |                  |
| Cash Paid for Interest Expense                                                 | <u>-</u>                                           | <u>-</u>              | <u>-</u>              | <u>-</u>         |
| <u>TOTAL NONCASH INVESTING, CAPITAL<br/>AND FINANCING ACTIVITIES</u>           | <u>-</u>                                           | <u>-</u>              | <u>-</u>              | <u>-</u>         |

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

TOWN OF SPRINGFIELD, COLORADO  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
December 31, 2019

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|                           | <u>Agency<br/>Funds</u> |
|---------------------------|-------------------------|
| <u>ASSETS</u>             |                         |
| Cash and Cash Equivalents | <u>141,052</u>          |
| <u>Total Assets</u>       | <u>141,052</u>          |
| <br><u>LIABILITIES</u>    |                         |
| Deposits Held for Others  | 141,052                 |
| Due To Other Funds        | <u>-</u>                |
| <u>Total Liabilities</u>  | <u>141,052</u>          |
| <br><u>NET POSITION</u>   | <br><u><u>-</u></u>     |

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

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

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NOTE 1     SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Springfield (the Town) was incorporated in 1889. The Town operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning and general administrative services.

A     Reporting Entity

Governmental Accounting Standards Board (GASB) Statement No. 14 (as amended by Statement No. 34, No. 39 and No.61), "*The Financial Reporting Entity*" (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This Town is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basic financial statements present the Town (the primary government) and its component units.

B. Government – Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. 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 revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from the Town's legally separate *component units* for which the Town is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or identifiable activity. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or 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*.

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.

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

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NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B.    Government – Wide and Fund Financial Statements (Continued)

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund 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 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 available if they are collected within 60 days of the end of the current fiscal period. 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 taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental fund:

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

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

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NOTE 1     SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The Town reports the following major proprietary funds:

The *sewer fund* accounts for the activities of the Town's sewage disposal and treatment system.

The *water fund* accounts for the activities of Town's water distribution and treatment system.

The *electric fund* accounts for the Town's electrical generation and distribution system.

Additionally, the government reports the following fund types:

The *special revenue fund* is used to account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or major capital projects) that are legally restrict to expenditures for specified purposes.

The *agency fund* accounts for assets held in an agency capacity for customer meter deposits.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Town's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish *operating revenues* and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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NOTE 1     SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, 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 Town as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

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

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

| <u>Assets</u>                 | <u>Years</u> |
|-------------------------------|--------------|
| Buildings                     | 10-30        |
| Parks, Recreational and Other | 5-30         |
| Streets and Improvements      | 20           |
| Vehicles                      | 10           |
| Equipment                     | 10-15        |

E. Budgets and Budgetary Accounting

The Town has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the Town Manager submits to the Town Council 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.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through passage of an ordinance or resolution.

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

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NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E.    Budgets and Budgetary Accounting (Continued)

4.    The Town Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
5.    Budgets for the General, Special Revenue and Agency Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for Enterprise Funds are on a non GAAP basis.

F.    Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded, is not used by the Town of Springfield.

G.    Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. The costs of inventories are recorded as expenditures when they are used.

H.    Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts

Regular full-time employees earn up to 120 hours of vacation annually, depending on length of employment, upon reaching each anniversary date of employment. Employees can carryover no more than 160 hours of unused vacation annually. Unused vacation time is recorded as an accrued expense in the proprietary funds at year ended (using the accrual basis of accounting) and is also recorded as an accrued expenditure in the governmental fund types since the payable is materially liquidated each year.

Accrued sick leave can be accumulated up to 60 days. Unused sick leave days are not paid to employees under any circumstances. Accordingly, there is no provision for accrued sick leave in these financial statements.

I.    Property Taxes

Property taxes represent ad valorem taxes levied by the Town, which are payable to the County Treasurer, and are recognized as revenue by the Town in the year for which they are levied.

Property taxes are levied in December for collection in the subsequent year.

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

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NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I.    Property Taxes (Continued)

Property taxes attach as an enforceable lien on property as of January 1. Taxes may be paid without penalty in either of two ways: (a) Full payment by April 30, or (b) First half must be paid by last day of February, and second half must be paid by June 15.

J.    Contraband

There were no contraband proceeds for the year ended December 31, 2019.

K.    Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 the reported amounts of revenues and expense during the reporting period. Actual results could differ from those estimates.

L.    Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers acceptances, and mutual funds composed of otherwise legal investments.

M.    Due to/from Funds

Outstanding balances between funds created by lending/borrowing or cash allocation in common purchasing activities are reported as due to/from funds.

N.    Long-Term Obligations

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

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

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NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N.    Long-Term Obligations (Continued)

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

O.    GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council (the Town's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The Town's Committed Fund Balance is fund balance reporting required by the Town Council, either because of a Town Council Policy in the Town Council Policy Manual, or because of motions that passed at Town Council meetings.

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

NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

O.    GASB Statement No. 54 (Continued)

Assigned Fund Balance Policy:

The Town's Assigned Fund Balance is fund balance reporting occurring by Town Council Administration authority, under the direction of the Town manager.

Order of Fund Balance Spending Policy

The Town's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

Fund Balance Classification by Fund:

|                            | General<br>Fund  | Baca County<br>Fire Department<br>Fund | Conservation<br>Trust<br>Fund | Pool<br>Fund  | Total<br>Governmental<br>Funds |
|----------------------------|------------------|----------------------------------------|-------------------------------|---------------|--------------------------------|
| <u>Nonspendable:</u>       |                  |                                        |                               |               |                                |
| Inventories                | 9,278            | -                                      | -                             | -             | 9,278                          |
| <u>Restricted:</u>         |                  |                                        |                               |               |                                |
| Emergencies                | 34,445           | -                                      | -                             | -             | 34,445                         |
| Culture & Recreation       |                  | -                                      | 21,513                        | 11,128        | 32,641                         |
| <u>Committed:</u>          | -                | -                                      | -                             | -             | -                              |
| <u>Assigned:</u>           |                  |                                        |                               |               |                                |
| Public Safety              | -                | 107,346                                | -                             | -             | 107,346                        |
| <u>Unassigned</u>          | <u>1,153,049</u> | <u>-</u>                               | <u>-</u>                      | <u>-</u>      | <u>1,153,049</u>               |
| <u>Total Fund Balances</u> | <u>1,196,772</u> | <u>107,346</u>                         | <u>21,513</u>                 | <u>11,128</u> | <u>1,336,759</u>               |

P.    Deferred Outflows / Inflows of Resources

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

In addition to liabilities, the statement of financial position and the balance sheet will sometimes report a separate section for 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 so will not be recognized as an inflow of resources (revenue) until that time.

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

NOTE 2    CAPITAL ASSETS

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

| <u>Governmental Activities</u>                 | <u>Beginning<br/>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending<br/>Balance</u> |
|------------------------------------------------|------------------------------|------------------|------------------|---------------------------|
| Capital Assets Not Being Depreciated:          |                              |                  |                  |                           |
| Land                                           | 172,168                      | -                | -                | 172,168                   |
| Construction in Progress                       | -                            | -                | -                | -                         |
| Total Capital Assets Not Being Depreciated     | <u>172,168</u>               | <u>-</u>         | <u>-</u>         | <u>172,168</u>            |
| Capital Assets Being Depreciated:              |                              |                  |                  |                           |
| Buildings                                      | 876,768                      | 84,750           | -                | 961,518                   |
| Improvements                                   | 2,091,372                    | 8,778            | -                | 2,100,150                 |
| Vehicles                                       | 620,372                      | 52,040           | 17,985           | 654,427                   |
| Equipment                                      | 1,083,045                    | 4,349            | -                | 1,087,394                 |
| Infrastructure                                 | <u>352,387</u>               | <u>-</u>         | <u>-</u>         | <u>352,387</u>            |
| Total Capital Assets Being Depreciated         | <u>5,023,944</u>             | <u>149,917</u>   | <u>17,985</u>    | <u>5,155,876</u>          |
| Less Accumulated Depreciation for:             |                              |                  |                  |                           |
| Buildings                                      | 295,089                      | 26,773           | -                | 321,862                   |
| Improvements                                   | 1,104,519                    | 63,062           | -                | 1,167,581                 |
| Vehicles                                       | 468,476                      | 29,582           | 17,985           | 480,073                   |
| Equipment                                      | 680,151                      | 50,481           | -                | 730,632                   |
| Infrastructure                                 | <u>190,424</u>               | <u>17,623</u>    | <u>-</u>         | <u>208,047</u>            |
| Total Accumulated Depreciation                 | <u>2,738,659</u>             | <u>187,521</u>   | <u>17,985</u>    | <u>2,908,195</u>          |
| Total Capital Assets Being Depreciated,<br>Net | <u>2,285,285</u>             | <u>(37,604)</u>  | <u>-</u>         | <u>2,247,681</u>          |
| <u>Governmental Activities</u>                 |                              |                  |                  |                           |
| <u>Capital Assets, Net</u>                     | <u>2,457,453</u>             | <u>(37,604)</u>  | <u>-</u>         | <u>2,419,849</u>          |

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

NOTE 2    CAPITAL ASSETS (Continued)

| <u>Business-Type Activities</u>        | <u>Beginning<br/>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending<br/>Balance</u> |
|----------------------------------------|------------------------------|------------------|------------------|---------------------------|
| Capital Assets Not Being Depreciated:  |                              |                  |                  |                           |
| Land and Water Rights                  | <u>255,798</u>               | <u>-</u>         | <u>-</u>         | <u>255,798</u>            |
| Capital Assets Being Depreciated:      |                              |                  |                  |                           |
| Buildings & Systems                    | <u>8,546,778</u>             | <u>40,375</u>    | <u>-</u>         | <u>8,587,153</u>          |
| Equipment                              | <u>626,545</u>               | <u>-</u>         | <u>-</u>         | <u>626,545</u>            |
| Total Capital Assets Being Depreciated | <u>9,173,323</u>             | <u>40,375</u>    | <u>-</u>         | <u>9,213,698</u>          |
| Less Accumulated Depreciation for:     |                              |                  |                  |                           |
| Buildings & Systems                    | <u>5,728,797</u>             | <u>213,375</u>   | <u>-</u>         | <u>5,942,172</u>          |
| Equipment                              | <u>515,877</u>               | <u>16,374</u>    | <u>-</u>         | <u>532,251</u>            |
| Total Accumulated Depreciation         | <u>6,244,674</u>             | <u>229,749</u>   | <u>-</u>         | <u>6,474,423</u>          |
| <u>Business-Type Activities</u>        |                              |                  |                  |                           |
| <u>Capital Assets, Net</u>             | <u>3,184,447</u>             | <u>(189,374)</u> | <u>-</u>         | <u>2,995,073</u>          |

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

NOTE 2    CAPITAL ASSETS (Continued)

Beginning in 2004, general infrastructure assets are recorded prospectively in these financial statements, at cost. Retroactive reporting of general infrastructure assets is not required by standards for the Town (Phase 3 entity).

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

Governmental Activities:

|                                                             |                |
|-------------------------------------------------------------|----------------|
| General Government                                          | 9,359          |
| Public Safety                                               | 33,507         |
| Public Works                                                | 78,786         |
| Health and Welfare                                          | -              |
| Culture and Recreation                                      | <u>65,869</u>  |
| <u>Total Depreciation Expense – Governmental Activities</u> | <u>187,521</u> |

Business-Type Activities:

|                                                              |                |
|--------------------------------------------------------------|----------------|
| Electric                                                     | 84,392         |
| Water                                                        | 90,823         |
| Sewer                                                        | <u>54,534</u>  |
| <u>Total Depreciation Expense – Business Type Activities</u> | <u>229,749</u> |

NOTE 3    CHANGES IN LONG-TERM DEBT

Changes in Long-Term Debt, Long-Term Liability activity for the year ended December 31, 2019, were as follows:

|                                   | <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Adjustments</u> | <u>Ending<br/>Balance</u> | <u>Due Within<br/>One Year</u> |
|-----------------------------------|------------------------------|------------------|-------------------|--------------------|---------------------------|--------------------------------|
| <u>Governmental Activities</u>    |                              |                  |                   |                    |                           |                                |
| Landfill Closure/Postclosure      | 175,164                      | -                | 37,012            | -                  | 138,152                   | -                              |
| Compensated Absences              | <u>9,237</u>                 | <u>4,110</u>     | <u>-</u>          | <u>-</u>           | <u>13,347</u>             | <u>-</u>                       |
|                                   | <u>184,401</u>               | <u>4,110</u>     | <u>37,012</u>     | <u>-</u>           | <u>151,499</u>            | <u>-</u>                       |
| <u>Business – Type Activities</u> |                              |                  |                   |                    |                           |                                |
| Notes Payable                     | 226,950                      | -                | 26,700            | -                  | 200,250                   | 26,700                         |
| Compensated Absences              | <u>13,401</u>                | <u>-</u>         | <u>4,770</u>      | <u>-</u>           | <u>8,631</u>              | <u>-</u>                       |
|                                   | <u>240,351</u>               | <u>-</u>         | <u>31,470</u>     | <u>-</u>           | <u>208,881</u>            | <u>26,700</u>                  |

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

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NOTE 3      CHANGES IN LONG-TERM DEBT (Continued)

Sewer Fund

Water Pollution Control Revolving Fund, Disadvantaged Communities Loan Program, payable to Colorado Water Resources and Power Development Authority, dated December 20, 2006, maturing serially on November 1, 2007 through May 1, 2027, bearing interest at a rate of 0.00%. The following is a loan schedule:

| <u>Year</u>  | <u>Principal</u> | <u>Interest</u> | <u>Total</u>   |
|--------------|------------------|-----------------|----------------|
| 2020         | 26,700           | -               | 26,700         |
| 2021         | 26,700           | -               | 26,700         |
| 2022         | 26,700           | -               | 26,700         |
| 2023         | 26,700           | -               | 26,700         |
| 2024         | 26,700           | -               | 26,700         |
| 2025-2027    | 66,750           | -               | 66,750         |
| <u>Total</u> | <u>200,250</u>   | <u>-</u>        | <u>200,250</u> |

Compliance with Loan Agreement

Colorado Water Resources Power Development Authority Water and Sewer Loan agreements require that the Town maintain an operations and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation, of the system as set forth in the annual budget for the current fiscal year. The following is an analysis of this requirement.

|                                    | <u>Sewer Fund</u> |
|------------------------------------|-------------------|
| <u>O&amp;M Reserve Requirement</u> |                   |
| Cash & Investments                 | 501,276           |
| O&M Res Requirement                | <u>470,015</u>    |
| <u>Over (Under) Requirement</u>    | <u>31,261</u>     |

Rate Covenant

Debt Service:

|                                                    |               |
|----------------------------------------------------|---------------|
| Principal                                          | 26,700        |
| Interest                                           | -             |
| <u>Sub Total</u>                                   | <u>26,700</u> |
| Times 110%                                         | 29,370        |
| Operating Revenues Over (Under) Operating Expenses | <u>59,142</u> |
| <u>Over (Under) Requirement</u>                    | <u>29,772</u> |

Compensated Absences

Governmental Fund Types

Non enterprise fund compensated absences at December 31, 2019 were \$13,347. As explained in Note 1(H), this amount is not recorded in governmental fund financial statements, however it is reflected in the statement of net position.

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

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NOTE 3     CHANGES IN LONG-TERM DEBT (Continued)

Enterprise Funds

Compensated absences accrued, payable and recorded in the Enterprise Funds are as follows:

|               |              |
|---------------|--------------|
| Electric Fund | 2,097        |
| Water Fund    | 3,465        |
| Sewer Fund    | <u>3,069</u> |
| Total         | <u>8,631</u> |

Landfill Closure and Postclosure Costs

State and Federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Town reports a portion of these closure and postclosure costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$138,152 reported as landfill closure and postclosure care liability at December 31, 2019, represents the cumulative expense incurred to date based on the use of the existing facility and the requirements to close and monitor as the facility currently exists.

The Town will recognize a reduction in this liability as the new landfill site is covered in 2041 and as landfill monitoring is done over the next 30 years. Closure costs at the new site will be reported as operational expenditures in subsequent years. The estimate of cost for final closure is \$59,198 (which will be the final phase for both sites) and costs for postclosure care will be \$285,003. The amounts are based upon what it would cost to perform all closure and postclosure care in 2019.

Recorded liabilities as of December 31, 2019 were:

|                  |                |
|------------------|----------------|
| Closure Cost     | 2,741          |
| Postclosure Cost | <u>135,411</u> |
|                  | <u>138,152</u> |

The Town expects to close the landfill in the year 2041. Actual cost may be higher due to inflation, changes in technology or changes in regulations. No closure or post closure costs remain unrecognized. Increases in the liability are due solely to inflation, and recognized currently as increases to Long-Term Debt. Current closure and postclosure costs were \$16,689. These costs were primarily due to closure costs, the monitoring of landfill wells, and compliance consulting. Approximately 41% of the total new landfill capacity has been used.

The Town is required by law to provide assurance that it can meet the cost of closure and postclosure care. The Town has provided that assurance by meeting the test requirements of the Colorado Department of Public Health and Environment. The Town expects that future inflation costs may need to be covered by charges to future landfill users or other future revenues.

NOTE 4     DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN

The Town has three plans covering members of the Fire and Police Department. The plans are:

- Town of Springfield Old Hire Police Fund (Old Hire Police)
- Fire and Police Pension Plan - Statewide Defined Benefit Plan (FPPA SWDB)
- Town of Springfield Volunteer Fire Defined Benefit Plan

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

**NOTE 4**      **DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)**

| <u>Plan</u>                         | <u>Net<br/>Pension<br/>Liability</u> | <u>Net<br/>Pension<br/>Asset</u> | <u>Pension<br/>Revenue<br/>(Expense)</u> | <u>Deferred<br/>Outflows</u> | <u>Deferred<br/>Inflows</u> |
|-------------------------------------|--------------------------------------|----------------------------------|------------------------------------------|------------------------------|-----------------------------|
| Town of Springfield Old Hire Police | -                                    | 56,274                           | (5,876)                                  | 32,163                       | (16,735)                    |
| FPPA Statewide Plan                 | 12,068                               | -                                | (3,636)                                  | 41,813                       | (129)                       |
| Town of Springfield Volunteer Fire  | -                                    | 116,732                          | 4,954                                    | 20,077                       | (15,934)                    |
| Totals                              | <u>12,068</u>                        | <u>173,006</u>                   | <u>(4,558)</u>                           | <u>94,053</u>                | <u>(32,798)</u>             |

**Old Hire Police**

*Plan Description.* The Town, on behalf of certain full-time paid police officers, contributed to the Police Old Hire Pension Fund, a defined benefit, agent multiple-employer plan that is affiliated with the Fire and Police Pension Association of Colorado (FPPA). Assets of the plans are commingled for investment purposes in the Police Member's Benefit Investment Fund; a combination of agent, multiple-employer defined benefit pension plans administered by FPPA with participating employers in the State of Colorado. The plans provide retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the Board of Directors of each plan. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the plans. FPPA issues a publicly available annual financial report that includes the assets of the plans, note disclosures related to the plan investments and policies, and separate biennial actuarial reports for each of the plans. The reports may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado, 80111, or by calling FPPA at 1-800-770-3772.

All Town police officers hired prior to April 8, 1978, could remain in the plan or transfer and become a participant in a defined contribution plan (new hire plan). Police officers' benefits become vested after twenty years of service and age 55 or after twenty-five years of service. Vested employees who retire are entitled to receive an annual retirement benefit, payable monthly for life, in an amount equal to one half of one month's salary at the time of retirement. Benefits vested after 1979 are limited to increases of 3% per year for inflation, as determined by the state. The system also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute and Town ordinance.

*Contributions.* Plan members and the Town are required to contribute at a rate set by statute. The State of Colorado also contributes to the plans in an amount set by statute. The contribution requirements of plan members and the Town are established under Title 31, Article 30 of the CRS, as amended.

During 2019, there were no active policemen covered by the Police Old Hire Plan and 1 retiree receiving benefits. Currently, the Town is not contributing to this fund.

*Pension Liabilities, Pension Expense, Deferred Outflows of Resource, and Deferred Inflows of Resources Related to Pensions.* At December 31, 2019, the Town reported an asset of \$56,274 for its net pension asset related to the old hire police pension plan. The new pension asset was measured as of December 31, 2018, and the total liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018. The Town's net pension asset was based on a projection of Town's long-term contributions to the pension plan, actuarially determined.

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

**NOTE 4**      **DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)**

For the year ended December 31, 2019, the Town recognized pension expense of \$5,876. At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                                                 | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Difference between expected and actual results                                                                  | -                                         | -                                        |
| Net difference between projected and actual earnings on Plan investments                                        | 32,163                                    | (16,735)                                 |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | -                                         | -                                        |
| Contributions subsequent to the measurement date                                                                | <u>-</u>                                  | <u>-</u>                                 |
| Total                                                                                                           | <u>\$32,163</u>                           | <u>\$(16,735)</u>                        |

Deferred outflows of resources of \$-0- related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| <u>Year Ending<br/>December 31,</u> | <u>Net Deferred Outflows/<br/>(Inflows) of Resources</u> |
|-------------------------------------|----------------------------------------------------------|
| 2020                                | 7,168                                                    |
| 2021                                | 2,118                                                    |
| 2022                                | 282                                                      |
| 2023                                | 5,860                                                    |
| 2024                                | -                                                        |
| Thereafter                          | <u>-</u>                                                 |
| Total                               | <u>\$15,428</u>                                          |

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

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NOTE 4     DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)

**Notes to Schedule of Contributions**

Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2018, determines the contribution amounts for 2018 and 2019.

Methods and Assumptions Used to Determine Contributions Rates for the Fiscal Year Ending December 31, 2019:

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial Cost Method         | Entry Age Normal                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Amortization Method           | Level Dollar, Open*                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Remaining Amortization Period | 14 years*                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Asset Valuation Method        | 5 – Year smoothed fair value                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Inflation                     | 2.50%                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Salary Increases              | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Investment Rate of Return     | 7.5%                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Retirement Age                | Any remaining actives are assumed to retire immediately.                                                                                                                                                                                                                                                                                                                                                                                               |
| Mortality                     | Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees, For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All Tables are projected with Scale BB.<br>Disabled (pre-1980): RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females. |

\*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

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

**NOTE 4**     **DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)**

**Long-Term Expected Return on Plan Assets**

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

| <u>Asset Class</u>   | <u>Target Allocation</u> | <u>Long-Term Expected<br/>Real Rate of Return</u> |
|----------------------|--------------------------|---------------------------------------------------|
| Cash                 | 2.00%                    | 2.52%                                             |
| Fixed Income         | 15.00%                   | 2.90%                                             |
| Managed Futures      | 4.00%                    | 5.35%                                             |
| Absolute Return      | 9.00%                    | 5.08%                                             |
| Long Short           | 9.00%                    | 6.45%                                             |
| Global Public Equity | 37.00%                   | 8.03%                                             |
| Private Capital      | 24.00%                   | 10.00%                                            |
| Total                | 100.00%                  |                                                   |

The figures in the above table were supplied by Fire and Police Pension Association Staff. Gabriel, Roeder, Smith & Company does not provide investment advice.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payment of current beneficiaries. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity analysis.* The following presents the net pension liability/(asset), calculated using the discount rate of 7.50%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate.

| <b>Police Old Hire Plan</b>      |                      |                                |                     |
|----------------------------------|----------------------|--------------------------------|---------------------|
|                                  | 1% Decrease<br>6.50% | Current Discount<br>Rate 7.50% | 1% Increase<br>8.5% |
| Net Pension<br>Liability/(Asset) | (37,597)             | (56,274)                       | (73,117)            |

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

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**NOTE 4**    **DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)**

**FPPA Statewide Defined Benefit Plan**

The Town participates in the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension fund administered by the FPPA. The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Eligible employees of the Town are provided with pensions through SWDB. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://fppaco.org>.

FPPA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

The plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

TOWN OF SPRINGFIELD, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

NOTE 4    DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)

Members of the SWDB plan and their employers are contributing at the rate of 10 percent and 8 percent respectively, of base salary for a total contribution rate of 18 percent in 2018. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Employer contributions recognized by the SWDB from the Town were \$5,127 for the year ended December 31, 2019.

At December 31, 2019, the Town reported a liability of \$12,068 for its proportionate share of the net pension liabilities of SWDB. The net pension liability was measured as of December 31, 2018, and the total pension liabilities used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. The collective total pension liability as of December 31, 2018 is based upon the January 1, 2018 actuarial valuation.

At December 31, 2018, the Town's proportion was 0.009545 percent, which was a decrease of 0.002523 percent from its proportion measured as of December 31, 2017.

At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to the SWDB from the following sources:

|                                                                                                                     | Deferred Outflows of<br>Resources | Deferred Inflows of<br>Resources |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------|
| Net difference between projected and actual investment earnings                                                     | 9,493                             | -                                |
| Difference between actual and expected experience                                                                   | 15,506                            | (129)                            |
| Changes in assumptions                                                                                              | 11,687                            | -                                |
| Changes in proportion and differences between Department contributions and proportionate share of contributions     | -                                 | -                                |
| The employer's contributions to the plan subsequent to the measurement date of the collective net pension liability | 5,127                             | -                                |
| Total                                                                                                               | 41,813                            | (129)                            |

The deferred outflows and deferred inflows related to pensions are included with total deferred outflows and total deferred inflows on the statement of net position. Deferred outflows of resources of \$5,127 related to FPPA pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase in the net pension asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF SPRINGFIELD, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 4**    **DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)**

| For the years ending December 31, | Amounts Recognized in Pension Expense |
|-----------------------------------|---------------------------------------|
| 2020                              | \$ 6,935                              |
| 2021                              | \$ 4,953                              |
| 2022                              | \$ 4,218                              |
| 2023                              | \$ 6,979                              |
| 2024                              | \$ 3,398                              |
| Thereafter                        | \$10,074                              |

The January 1, 2018 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2019.

The components of the calculation of the net pension liability of the SWDB plan as of December 31, 2018 are shown in the following table:

|                                                                                  | December 31, 2018 |
|----------------------------------------------------------------------------------|-------------------|
| Total Pension Liability (A)                                                      | \$ 253,241        |
| Plan Fiduciary Net Position (B)                                                  | \$ 241,173        |
| Employer's Net Pension Liability (Asset) (A-B)                                   | \$ 12,068         |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (B/A) | 95.2%             |

The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2018. The valuations used the following actuarial assumption and other inputs:

|                                      | Total Pension Liability | Actuarially Determined Contributions |
|--------------------------------------|-------------------------|--------------------------------------|
| Actuarial Valuation Date             | January 1, 2019         | January 1, 2018                      |
| Actuarial Method                     | Entry Age Normal        | Entry Age Normal                     |
| Amortization Method                  | N/A                     | Level % of Payroll, Open             |
| Amortization Period                  | N/A                     | 30 Years                             |
| Long-term Investment Rate of Return* | 7.0%                    | 7.5%                                 |
| Projected Salary Increases*          | 4.25% - 11.25%          | 4.0% - 14.0%                         |
| Cost of Living Adjustments (COLA)    | 0.0%                    | 0.0%                                 |
| *Includes Inflation at               | 2.5%                    | 2.5%                                 |

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

TOWN OF SPRINGFIELD, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 4**     **DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)**

For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

| <b>Asset Class</b>    | <b>Target Allocation</b> | <b>Long-Term Expected Rate of Return</b> |
|-----------------------|--------------------------|------------------------------------------|
| Global Equity         | 37.0%                    | 8.03%                                    |
| Equity Long/Short     | 9.0%                     | 6.45%                                    |
| Illiquid Alternatives | 24.0%                    | 10.00%                                   |
| Fixed Income          | 15.0%                    | 2.90%                                    |
| Absolute Return       | 9.0%                     | 5.08%                                    |
| Managed Futures       | 4.0%                     | 5.35%                                    |
| Cash                  | 2.0%                     | 2.52% *                                  |
| <b>Total</b>          | <b>100.00%</b>           |                                          |

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF SPRINGFIELD, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 4**     **DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)**

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.71% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.00%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

| 1% Decrease<br>6.00% | Single Discount Rate<br>Assumption 7.00% | 1% Increase<br>(8.00%) |
|----------------------|------------------------------------------|------------------------|
| 46,796               | 12,068                                   | (16,739)               |

**Volunteer Firefighters**

The FPPA administers an agent multiple-employer PERS. The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at:

[http://www.fppaco.org/pdfs/annual\\_audit\\_actuarial\\_reports/annual%20reports/2014%20cafr.pdf](http://www.fppaco.org/pdfs/annual_audit_actuarial_reports/annual%20reports/2014%20cafr.pdf)

The plan provides normal retirement benefits, disability retirement and survivor benefits. Firefighters who have attained both 50 years of age and completed 20 years of active service in any fire department in the State of Colorado are eligible for a monthly pension. Upon death, the surviving spouse receives a monthly pension equal to 50% of the benefit previously received, payable until death or remarriage. The Town has two retirees and seventeen active members in this plan as of December 31, 2019.

At December 31, 2019, the Town reported a net pension asset of \$116,732. The net pension asset was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018.

At December 31, 2019 the total pension liability was \$51,087 and the plan fiduciary net position was \$167,819. For the year ended December 31, 2019, the Town recognized pension income of \$4,954.

At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to the Volunteer pension from the following sources:

TOWN OF SPRINGFIELD, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 4**     **DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)**

|                                                                                                                     | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------|
| Difference between expected and actual experience                                                                   | 18                                | (9,477)                          |
| Net difference between projected and actual earnings on pension plan investments                                    | 13,015                            | (6,457)                          |
| Change in assumptions                                                                                               | 2,866                             | -                                |
| The employer's contributions to the plan subsequent to the measurement date of the collective net pension liability | 4,178                             | -                                |
| Total                                                                                                               | 20,077                            | (15,934)                         |

The deferred outflows and deferred inflows related to pensions are included with total deferred outflows and total deferred inflows on the statement of net position. Deferred outflows of resources of \$4,178 related to the Volunteer pension, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability or increase in the net pension asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| For the years ending December 31, |            |
|-----------------------------------|------------|
| 2020                              | \$ 429     |
| 2021                              | \$ (173)   |
| 2022                              | \$ (424)   |
| 2023                              | \$ 1,462   |
| 2024                              | \$ (1,181) |
| Thereafter                        | \$ (148)   |

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the Town is statutorily committed to pay the contributions to FPPA. Employer contributions recognized by the FPPA from the Town were \$4,178 for the year ended December 31, 2019.

**Notes to Schedule of Contributions**

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017, determines the contribution amounts for 2018 and 2019.

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

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NOTE 4     DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)

Methods and Assumptions Used to Determine Contributions Rates for the Fiscal Year Ending December 31, 2018:

|                               |                                                                                                                                                                                                                                                                                |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial Cost Method         | Entry Age Normal                                                                                                                                                                                                                                                               |
| Amortization Method           | Level Dollar, Open*                                                                                                                                                                                                                                                            |
| Remaining Amortization Period | 20 years*                                                                                                                                                                                                                                                                      |
| Asset Valuation Method        | 5 – Year smoothed fair value                                                                                                                                                                                                                                                   |
| Inflation                     | 2.50%                                                                                                                                                                                                                                                                          |
| Salary Increases              | N/A                                                                                                                                                                                                                                                                            |
| Investment Rate of Return     | 7.50%                                                                                                                                                                                                                                                                          |
| Retirement Age                | 50% per year of eligibility until 100% at age 65.                                                                                                                                                                                                                              |
| Mortality                     | Pre-retirement: RP-2014 Combined Mortality Table with Scale BB, 55% multiplier for off-duty mortality.<br>Post-retirement: RP-2014 Combined Mortality Table, with Blue Collar Adjustment Disabled:<br>RP-2014 Disabled Mortality Table.<br>All tables projected with Scale BB. |

\*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

**Assumption Changes**

The assumptions shown above pertain to the actuarial valuation as of January 1, 2017 and the associated Actuarially Determined Contribution for the year ending December 31, 2018. Following a regularly scheduled experience study in 2018, the Board adopted a new assumption set for first use in the January 1, 2019 valuations.

The primary changes, which can be observed in the January 1, 2019 valuation, as compared to the assumptions shown are as follows:

Investment Rate of Return     7.00%

**Mortality**     **Pre-retirement:** 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.

**Post-retirement:** 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

**Disabled:** 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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

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**NOTE 4**    DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)

**Long-Term expected Return on Plan Assets**

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected<br/>Real Rate of Return</u> |
|--------------------|--------------------------|---------------------------------------------------|
| Cash               | 2.00%                    | 2.52%                                             |
| Fixed Income       | 15.00%                   | 2.90%                                             |
| Managed Futures    | 4.00%                    | 5.35%                                             |
| Absolute Return    | 9.00%                    | 5.08%                                             |
| Equity Long/Short  | 9.00%                    | 6.45%                                             |
| Global Equity      | 37.00%                   | 8.03%                                             |
| Private Markets    | <u>24.00%</u>            | 10.00%                                            |
| Total              | 100.00%                  |                                                   |

The figures in the above table were supplied by Fire and Police Pension Association Staff. Gabriel, Roeder, Smith & Company does not provide investment advice.

*Development of the single discount rate.* The discount rate used to measure the total pension liability was 7.00 percent. The long term expected rate of investment return was 7.00 percent. The long term municipal bond rate was 3.71 percent. This rate is from the Federal Reserve statistical release (H.15). The statistical release describes this rate as "Bond Buyer Index", general obligation, 20 years to maturity, mixed quality." In describing this index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service Aa2 rating and Standard & Poor's Corp.'s AA.

TOWN OF SPRINGFIELD, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

NOTE 4    DEFINED BENEFIT PENSION PLAN - FIREMEN AND POLICEMEN (Continued)

*Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

|                                                            | 1% Decrease<br>(6.00%) | Current Discount<br>Rate (7.00%) | 1% Increase<br>(8.00%) |
|------------------------------------------------------------|------------------------|----------------------------------|------------------------|
| Proportionate share of the net pension liability / (asset) | (110,080)              | (116,732)                        | (122,205)              |

NOTE 5    DEFINED CONTRIBUTION PLANS

The Town provides pension benefits for all nonfire or police full time employees through a defined contribution plan of the Colorado County Officials and Employees Retirement Association. All fire and police employees (full-time) that are not eligible for the defined benefit plan described in the preceding note are provided pension benefits through the Town's departmental money purchase pension plan (a defined contribution plan). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment in fire and police plan. One year of service is required previous to participation in the Colorado County Officials and Employees Retirement Association Plan. The Mayor and Town Board authorize the benefits and have the authority to amend the terms of the benefits.

Employees contribute 3% of their salary to the plan with an equal amount contributed by the Town. Vesting occurs at the rate of 20% per year. Town contributions for, and earnings forfeited by, employees who leave employment before fully vesting are returned to the Town.

The following is a summary of the plan activity for 2019:

|                                |         |
|--------------------------------|---------|
| Total Payroll                  | 534,980 |
| Salary for Contributions       | 315,313 |
| District Contributions (at 3%) | 9,459   |
| Employee Contributions (at 3%) | 9,459   |
| Pension Expense                | 8,178   |
| Forfeitures                    | 1,281   |

The Town has no outstanding pension liability at year end.

TOWN OF SPRINGFIELD, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 6     DEFERRED COMPENSATION PLAN

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

In 1997 the Town adopted an amendment to its Deferred Compensation Plan with CCOERA. The adoption of the amendment was due to recent changes in the Internal Revenue Code.

Specifically the amendment states that all amounts deferred under this plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights shall, until made available to the participant or beneficiary, be held in the Colorado County Officials and Employees Retirement Association Deferred Compensation Plan Trust for the exclusive benefit of participants and their beneficiaries. Colorado County officials and Employees Retirement Association is trustee of the trust.

Eligible voluntary employee contributions were \$16,354 for 2019, \$14,378 for 2018 and \$12,894 for 2017.

NOTE 7     INTERGOVERNMENTAL AGREEMENT

The Town of Springfield is a member of (CIRSA). The Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity, was formed by intergovernmental agreement by member municipalities pursuant to the provisions of 29-1-201 et. seq., C.R.S. as amended, 8-44-101(1)(c) and (3), and 8-44-110, C.R.S. as amended, and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members a self-insurance pool to provide defined coverages, and claims and risk management services related thereto.

It is the intent of the members of CIRSA to create an entity to defend and indemnify, in accordance with the Bylaws, any member of CIRSA against liability or loss, to the limit of the financial resources of CIRSA available to pay such liability or loss. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The Bylaws shall constitute the substance of the intergovernmental contract among the members.

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

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NOTE 7    INTERGOVERNMENTAL AGREEMENT (Continued)

Summary audited financial information as of December 31, 2019 follows:

|                                               |                   |
|-----------------------------------------------|-------------------|
| Assets                                        | <u>87,354,845</u> |
| Liabilities                                   | 37,380,157        |
| Net Position                                  | <u>49,974,688</u> |
|                                               | <u>87,354,845</u> |
| Revenues                                      | 29,379,298        |
| Expenditures                                  | 29,157,832        |
| Distributions to Members (Credits to Members) | <u>(791,271)</u>  |
| Increase (Decrease) in Net Position           | <u>(569,805)</u>  |

NOTE 8    SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Town maintains three Enterprise Funds which provide water, sewer, and electrical operational services. Each are segments. Since all enterprise funds are reported separately as major funds in the fund financial statements, no segment disclosures are required.

NOTE 9    CONTINGENCIES

The Town is not involved in any claims or actions which will result in costs or losses to the Town that are uninsured or of a material nature.

NOTE 10    CASH AND CASH EQUIVALENTS

The Town's cash at year-end consisted of deposits in financial institutions and was entirely covered by federal depository insurance or by collateral held by the financial institutions as their agent in the Town's name. Collateral is held under provisions of the Public Deposit Protection Act of 1975. This act requires pledged collateral to be clearly identified as security for public deposits and it requires that the pledging financial institution certify to the secured governmental unit that it is secured and indicate the location of the collateral. In the event of default or insolvency on the part of the pledging financial institution, the custodian will surrender the collateral to the state bank commissioner. A breakdown of cash and certificates of deposit follows:

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

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NOTE 10   CASH AND CASH EQUIVALENTS (Continued)

|                                                                                                  | <u>Carrying<br/>Amount</u> | <u>Bank<br/>Balance</u> |
|--------------------------------------------------------------------------------------------------|----------------------------|-------------------------|
| Insured (FDIC)                                                                                   | 1,126,410                  | 1,126,410               |
| Uninsured, Collateralized under the<br>Public Deposit Protection Act<br>of the State of Colorado | 1,608,676                  | 1,595,179               |
| Cash in Colorado Trust                                                                           | 1,672,437                  | 1,672,437               |
| Cash with County Treasurer                                                                       | 1,999                      | -                       |
| Cash on Hand                                                                                     | <u>600</u>                 | <u>-</u>                |
| <u>Total Cash and Deposits</u>                                                                   | <u>4,410,122</u>           | <u>4,394,026</u>        |

As presented above, deposits with a bank balance of \$1,595,179 and a carrying balance of \$1,608,676 as of December 31, 2019 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

Reserves

Article X, Section 20 of the Constitution of the State of Colorado requires the Town to establish Emergency Reserves (see Note 11). \$34,445 of fund balance has been reserved in compliance with this requirement.

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

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NOTE 11     CONTINGENCIES - TAX, SPENDING AND DEBT LIMITATIONS

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 1% of Fiscal Year Spending (excluding bonded debt service) in 1993, 2% in 1994 and 3% thereafter. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

TABOR requires, with certain exceptions, voters approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments.

During 1995, the authorized voters of the Town of Springfield, Colorado voted to authorize the Town to collect, retain and expend all revenues and other funds collected beginning in 1995, from any source, notwithstanding the limitations of Article X, Section 20 of the Colorado constitution, effective January 1, 1995, provided that no local tax rate or mill levy shall be increase without further voter approval.

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits (and qualification as an Enterprise) will require judicial interpretation.

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

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NOTE 12     RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The Town maintains commercial insurance and participates in a public entity risk pool for all risks of loss. Settled claims have not exceeded these coverages in any of the past three fiscal years.

NOTE 13     ALLOWANCE FOR ESTIMATED UNCOLLECTIBLE ACCOUNTS

The Town writes off bad debts when accounts are deemed uncollectible. Receivables are reviewed annually to determine accounts that should be written off. As of December 31, 2019, the allowance for estimated uncollectible accounts was \$0.

NOTE 14     RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a 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 a reconciliation between *net change in fund balances – total government 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 governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. The following adjustments were required for the year ending December 31, 2019:

Governmental Activities:

|                     |           |
|---------------------|-----------|
| Interfund Transfers | \$ 17,500 |
|---------------------|-----------|

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

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NOTE 15     INTERFUND TRANSACTIONS

Transfers

| <u>Fund</u>                 | <u>Transfers<br/>In</u> | <u>Transfers<br/>Out</u> | <u>Purpose</u>     |
|-----------------------------|-------------------------|--------------------------|--------------------|
| General Fund                | 106,481                 | 17,500                   | Current Operations |
| Baca County Fire Dept. Fund | 17,500                  | -                        | Current Operations |
| Electric Fund               | -                       | 83,000                   | Current Operations |
| Water Fund                  | -                       | 14,701                   | Current Operations |
| Sewer Fund                  | -                       | 8,780                    | Current Operations |
|                             | <u>123,981</u>          | <u>123,981</u>           |                    |

Interfund Receivables / Payables

Individual fund interfund receivable and payable balances at December 31, 2019 were as follows:

| <u>Fund</u>   | <u>Due From</u> | <u>Due To</u> |
|---------------|-----------------|---------------|
| General Fund  | -               | 24,375        |
| Electric Fund | <u>24,375</u>   | <u>-</u>      |
|               | <u>24,375</u>   | <u>24,375</u> |

Interfund receivables and payables were made in the course of normal operations and are to be repaid within a year.

NOTE 16     RELATED PARTIES

The Town of Springfield and six other municipalities established the Arkansas River Power Authority (ARPA) as a political subdivision of the State of Colorado to furnish wholesale electric power requirements of the seven municipal members. ARPA's business affairs are governed by its Board of Directors, which includes two representatives from each member municipality.

During 2019 net purchases of power by the Town from ARPA were \$1,251,931. There are no amounts due to or from ARPA outside the ordinary course of business.

REQUIRED SUPPLEMENTARY INFORMATION

General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

Pension Trend Data – Schedule of Funding Progress for Fire and Police Pension Fund

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

|                                      | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>    | Variance-<br>Favorable<br>(Unfavorable) |
|--------------------------------------|--------------------------------------------------------|------------------|-----------------------------------------|
| <u>REVENUES</u>                      |                                                        |                  |                                         |
| <u>Revenues from Local Sources</u>   |                                                        |                  |                                         |
| General Property Taxes               | 143,730                                                | 142,504          | (1,226)                                 |
| Property Tax Penalties and Interest  | 1,000                                                  | 1,150            | 150                                     |
| Delinquent Property Tax              | 250                                                    | 101              | (149)                                   |
| Specific Ownership Tax               | 15,000                                                 | 19,536           | 4,536                                   |
| Motor Vehicle Registration           | 6,000                                                  | 5,720            | (280)                                   |
| General Sales Tax                    | 310,000                                                | 468,171          | 158,171                                 |
| Road and Bridge Tax                  | 7,500                                                  | 11,699           | 4,199                                   |
| Lodging Tax                          | 11,000                                                 | 14,193           | 3,193                                   |
| Intergovernmental Revenue            | -                                                      | 1,979            | 1,979                                   |
| Franchise                            | 25,000                                                 | 27,128           | 2,128                                   |
| Occupation Tax                       | 1,400                                                  | 1,400            | -                                       |
| Fuel Excise Tax                      | 500                                                    | 3,145            | 2,645                                   |
| Business License & Permits           | 550                                                    | 1,238            | 688                                     |
| Non-Business Licenses and Permits    | 250                                                    | 839              | 589                                     |
| Charges for Services                 | 50                                                     | -                | (50)                                    |
| Fines and Forfeits                   | 57,850                                                 | 33,957           | (23,893)                                |
| Earnings on Investments              | 3,500                                                  | 12,111           | 8,611                                   |
| Other                                | 17,100                                                 | 22,118           | 5,018                                   |
| Landfill Fees                        | <u>181,600</u>                                         | <u>243,342</u>   | <u>61,742</u>                           |
| <u>Total Local Revenues</u>          | <u>782,280</u>                                         | <u>1,010,331</u> | <u>228,051</u>                          |
| <u>Revenues from State Sources</u>   |                                                        |                  |                                         |
| Cigarette Tax                        | 1,800                                                  | 1,545            | (255)                                   |
| Highway Users Tax                    | 64,038                                                 | 84,236           | 20,198                                  |
| Grants                               | 6,500                                                  | 23,420           | 16,920                                  |
| Severance Tax                        | <u>100</u>                                             | <u>1,302</u>     | <u>1,202</u>                            |
| <u>Total State Revenues</u>          | <u>72,438</u>                                          | <u>110,503</u>   | <u>38,065</u>                           |
| <u>Revenues from Federal Sources</u> |                                                        |                  |                                         |
| Grants                               | <u>706,069</u>                                         | <u>14,433</u>    | <u>(691,636)</u>                        |
| <u>Total Federal Revenues</u>        | <u>706,069</u>                                         | <u>14,433</u>    | <u>(691,636)</u>                        |
| <u>TOTAL REVENUES</u>                | <u>1,560,787</u>                                       | <u>1,135,267</u> | <u>(425,520)</u>                        |

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

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

|                                   | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>  | Variance-<br>Favorable<br>(Unfavorable) |
|-----------------------------------|--------------------------------------------------------|----------------|-----------------------------------------|
| <u>EXPENDITURES</u>               |                                                        |                |                                         |
| <u>General Government</u>         |                                                        |                |                                         |
| <u>Legislative</u>                |                                                        |                |                                         |
| Proceedings                       | 350                                                    | 416            | (66)                                    |
| Ordinance                         | 750                                                    | 42             | 708                                     |
| Legal                             | 200                                                    | 75             | 125                                     |
| <u>Total Legislative</u>          | <u>1,300</u>                                           | <u>533</u>     | <u>767</u>                              |
| <u>Council</u>                    | <u>1,000</u>                                           | <u>607</u>     | <u>393</u>                              |
| <u>Judicial</u>                   | <u>8,607</u>                                           | <u>8,572</u>   | <u>35</u>                               |
| <u>Executive</u>                  |                                                        |                |                                         |
| Manager Salary                    | 13,045                                                 | 12,543         | 502                                     |
| Telephone                         | 1,300                                                  | 1,325          | (25)                                    |
| Travel Expenses                   | 50                                                     | 55             | (5)                                     |
| Vehicle Operation                 | 100                                                    | -              | 100                                     |
| Uniforms                          | 50                                                     | -              | 50                                      |
| <u>Total Executive</u>            | <u>14,545</u>                                          | <u>13,923</u>  | <u>622</u>                              |
| <u>Administration</u>             |                                                        |                |                                         |
| <u>Clerk's Office</u>             |                                                        |                |                                         |
| Elections Expenses                | 2,000                                                  | 34             | 1,966                                   |
| Salary                            | 16,334                                                 | 18,768         | (2,434)                                 |
| Lodging Tax to BCEDC              | 11,000                                                 | 14,980         | (3,980)                                 |
| Economic Development              | 2,000                                                  | 50             | 1,950                                   |
| Dues                              | 2,300                                                  | 2,119          | 181                                     |
| Supplies and Printing             | 3,000                                                  | 2,500          | 500                                     |
| Postage                           | 2,000                                                  | 2,249          | (249)                                   |
| Telephone                         | 2,520                                                  | 2,390          | 130                                     |
| Training                          | 200                                                    | 1,073          | (873)                                   |
| Software Support                  | 1,900                                                  | 1,801          | 99                                      |
| Bad Debts                         | 350                                                    | 390            | (40)                                    |
| Other                             | 8,000                                                  | 4,410          | 3,590                                   |
| Professional Services IT          | 1,000                                                  | 671            | 329                                     |
| Capital Outlay                    | 18,950                                                 | -              | 18,950                                  |
| <u>Total Clerk's Office</u>       | <u>71,554</u>                                          | <u>51,435</u>  | <u>20,119</u>                           |
| <u>Other Administration</u>       |                                                        |                |                                         |
| Attorney                          | 31,000                                                 | 54,668         | (23,668)                                |
| Audit                             | 5,000                                                  | 4,913          | 87                                      |
| Treasurer Fees                    | 3,300                                                  | 3,460          | (160)                                   |
| Property Insurance                | 21,000                                                 | 20,966         | 34                                      |
| Employee Benefits                 | 169,960                                                | 114,045        | 55,915                                  |
| Miscellaneous                     | 3,000                                                  | 1,640          | 1,360                                   |
| <u>Total Other Administration</u> | <u>233,260</u>                                         | <u>199,692</u> | <u>33,568</u>                           |

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

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

|                                       | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>      | <u>Variance-<br/>Favorable<br/>(Unfavorable)</u> |
|---------------------------------------|--------------------------------------------------------|--------------------|--------------------------------------------------|
| <u>EXPENDITURES (Continued)</u>       |                                                        |                    |                                                  |
| <u>General Government (Continued)</u> |                                                        |                    |                                                  |
| <u>Building</u>                       |                                                        |                    |                                                  |
| Cleaning Salary                       | 5,253                                                  | 5,353              | (100)                                            |
| Supplies                              | 1,000                                                  | 588                | 412                                              |
| Gas (Heating)                         | 4,000                                                  | 2,116              | 1,884                                            |
| Electric, Water, Sewer                | 6,000                                                  | 4,079              | 1,921                                            |
| Repairs & Equipment                   | 84,691                                                 | 78,776             | 5,915                                            |
| <u>Total Building</u>                 | <u>100,944</u>                                         | <u>90,912</u>      | <u>10,032</u>                                    |
| <u>TOTAL GENERAL GOVERNMENT</u>       | <u>431,210</u>                                         | <u>365,674</u>     | <u>65,536</u>                                    |
| <br><u>PUBLIC SAFETY</u>              |                                                        |                    |                                                  |
| <u>Police Department</u>              |                                                        |                    |                                                  |
| Police Salaries                       | 204,100                                                | 162,004            | 42,096                                           |
| Surcharge on Tickets                  | 9,000                                                  | -                  | 9,000                                            |
| Telephone                             | 6,000                                                  | 4,191              | 1,809                                            |
| Training and Dues                     | 5,000                                                  | 2,014              | 2,986                                            |
| Supplies                              | 3,500                                                  | 2,293              | 1,207                                            |
| Vehicle Repairs                       | 5,000                                                  | 1,287              | 3,713                                            |
| Vehicle Operations                    | 14,000                                                 | 8,333              | 5,667                                            |
| Uniforms                              | 2,000                                                  | 3,524              | (1,524)                                          |
| Dispatcher                            | 15,852                                                 | 15,852             | -                                                |
| Repairs                               | 1,500                                                  | -                  | 1,500                                            |
| Other                                 | 24,500                                                 | 13,456             | 11,044                                           |
| Police Pension                        | 9,775                                                  | 5,127              | 4,648                                            |
| Special Investigation                 | 4,000                                                  | -                  | 4,000                                            |
| Police Office Expense                 | 1,500                                                  | 3,150              | (1,650)                                          |
| Impound Expense                       | 5,000                                                  | -                  | 5,000                                            |
| Emergency Management                  | -                                                      | -                  | -                                                |
| Capital Outlay                        | 34,000                                                 | 53,076             | (19,076)                                         |
| <u>Total Police Department</u>        | <u>344,727</u>                                         | <u>274,307</u>     | <u>70,420</u>                                    |
| <u>Fire Department</u>                |                                                        |                    |                                                  |
| Pension Fund                          | 2,199                                                  | 4,178              | (1,979)                                          |
| <u>Total Fire Department</u>          | <u>2,199</u>                                           | <u>4,178</u>       | <u>(1,979)</u>                                   |
| <br><u>TOTAL PUBLIC SAFETY</u>        | <br><u>346,926</u>                                     | <br><u>278,485</u> | <br><u>68,441</u>                                |

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

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

|                                 | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>  | <u>Variance-<br/>Favorable<br/>(Unfavorable)</u> |
|---------------------------------|--------------------------------------------------------|----------------|--------------------------------------------------|
| <u>EXPENDITURES (Continued)</u> |                                                        |                |                                                  |
| <u>PUBLIC WORKS</u>             |                                                        |                |                                                  |
| <u>Operations</u>               |                                                        |                |                                                  |
| Street Salaries                 | 120,334                                                | 104,769        | 15,565                                           |
| Supplies                        | 17,500                                                 | 8,199          | 9,301                                            |
| Repairs and Maintenance         | 20,000                                                 | 5,582          | 14,418                                           |
| Uniforms                        | 2,000                                                  | 1,235          | 765                                              |
| Sand and Gravel                 | 10,000                                                 | -              | 10,000                                           |
| Telephone                       | 1,000                                                  | 1,025          | (25)                                             |
| Vehicle Expense                 | 3,000                                                  | 1,911          | 1,089                                            |
| Signs                           | 3,000                                                  | 2,696          | 304                                              |
| Street Lighting                 | 27,000                                                 | 27,729         | (729)                                            |
| Elec for Oil Tank               | 3,000                                                  | 2,600          | 400                                              |
| Supplies/Paint Tools            | 750                                                    | 93             | 657                                              |
| MC-800 Oil and Asphalt          | 33,000                                                 | 3,480          | 29,520                                           |
| Snow Removal                    | 5,000                                                  | -              | 5,000                                            |
| Miscellaneous                   | 2,850                                                  | 2,414          | 436                                              |
| A.D.A. Ramps                    | 100                                                    | -              | 100                                              |
| Capital Outlay                  | <u>69,600</u>                                          | <u>5,000</u>   | <u>64,600</u>                                    |
| <u>Total Operations</u>         | <u>318,134</u>                                         | <u>166,733</u> | <u>151,401</u>                                   |
| <u>Waste Disposal</u>           |                                                        |                |                                                  |
| Post Closure                    | -                                                      | -              | -                                                |
| Loader Operations               | 15,000                                                 | 10,678         | 4,322                                            |
| Landfill Salary                 | 73,134                                                 | 59,789         | 13,345                                           |
| Telephone                       | 1,000                                                  | 470            | 530                                              |
| Other                           | 4,000                                                  | 2,869          | 1,131                                            |
| Landfill Consulting             | 40,000                                                 | 16,689         | 23,311                                           |
| Landfill Fees                   | 14,000                                                 | 4,363          | 9,637                                            |
| Landfill Supplies & Maintenance | 3,500                                                  | 612            | 2,888                                            |
| Recycling Fees                  | 3,000                                                  | 2,581          | 419                                              |
| Leachate Disposal & Sampling    | 9,200                                                  | -              | 9,200                                            |
| Landfill Loan Payment           | 33,000                                                 | -              | 33,000                                           |
| Capital Outlay                  | <u>702,740</u>                                         | <u>11,633</u>  | <u>691,107</u>                                   |
| <u>Total Waste Disposal</u>     | <u>898,574</u>                                         | <u>109,684</u> | <u>788,890</u>                                   |
| <u>TOTAL PUBLIC WORKS</u>       | <u>1,216,708</u>                                       | <u>276,417</u> | <u>940,291</u>                                   |
| <u>HEALTH AND WELFARE</u>       |                                                        |                |                                                  |
| Animal Control                  | <u>3,050</u>                                           | <u>854</u>     | <u>2,196</u>                                     |
| <u>TOTAL HEALTH AND WELFARE</u> | <u>3,050</u>                                           | <u>854</u>     | <u>2,196</u>                                     |

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

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

|                                                                                               | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>        | Variance-<br>Favorable<br>(Unfavorable) |
|-----------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------------|-----------------------------------------|
| <u>EXPENDITURES (Continued)</u>                                                               |                                                        |                      |                                         |
| <u>CULTURE AND RECREATION</u>                                                                 |                                                        |                      |                                         |
| Swimming Pool & Tennis Courts                                                                 | 35,675                                                 | 29,411               | 6,264                                   |
| Airport                                                                                       | 39,850                                                 | 18,741               | 21,109                                  |
| Park                                                                                          | <u>25,850</u>                                          | <u>9,267</u>         | <u>16,583</u>                           |
| <u>TOTAL CULTURE AND RECREATION</u>                                                           | <u>101,375</u>                                         | <u>57,419</u>        | <u>43,956</u>                           |
| <br><u>TOTAL EXPENDITURES</u>                                                                 | <br><u>2,099,269</u>                                   | <br><u>978,849</u>   | <br><u>1,120,420</u>                    |
| <br><u>REVENUES OVER (UNDER) EXPENDITURES</u>                                                 | <br><u>(538,482)</u>                                   | <br><u>156,418</u>   |                                         |
| <br><u>OTHER FINANCING SOURCES (USES)</u>                                                     |                                                        |                      |                                         |
| Transfer In                                                                                   | 106,481                                                | 106,481              | -                                       |
| Transfer Out                                                                                  | <u>(17,500)</u>                                        | <u>(17,500)</u>      | -                                       |
| <u>Total Other Financing Sources (Uses)</u>                                                   | <u>88,981</u>                                          | <u>88,981</u>        | -                                       |
| <br><u>REVENUES AND OTHER FINANCING SOURCES</u><br><u>OVER (UNDER) EXPENDITURES AND OTHER</u> | <br><u>(449,501)</u>                                   | <br><u>245,399</u>   |                                         |
| <br><u>FUND BALANCE, Beginning</u>                                                            | <br><u>846,613</u>                                     | <br><u>951,373</u>   |                                         |
| <br><u>FUND BALANCE, Ending</u>                                                               | <br><u>397,112</u>                                     | <br><u>1,196,772</u> |                                         |

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

PENSION TREND DATA

TOWN OF SPRINGFIELD, COLORADO  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE  
OF THE NET PENSION ASSET OF THE STATEWIDE DEFINED BENEFIT PLAN –  
A COST SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN ADMINISTERED BY  
THE FIRE & POLICE PENSION ASSOCIATION  
AS OF DECEMBER 31, 2019

|                                                                                                        | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Town's proportion of the net pension asset                                                             | .009545%    | .012068%    | .015055%    | .013032%    | .016428%    |
| Town's proportionate share of the net pension asset/(liability)                                        | \$(12,068)  | \$(17,361)  | \$(5,440)   | \$230       | \$18,540    |
| Town's covered payroll                                                                                 | \$63,937    | \$85,525    | \$90,063    | \$63,175    | \$73,878    |
| Town's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll | 18.87%      | 20.30%      | (6.04%)     | .36%        | 25.10%      |
| Plan fiduciary net position as a percentage of the total pension asset                                 | 95.2%       | 106.3%      | 98.21%      | 100.10%     | 106.80%     |

TOWN OF SPRINGFIELD, COLORADO  
SCHEDULE OF TOWN CONTRIBUTIONS TO THE STATEWIDE DEFINED BENEFIT PLAN –  
A COST SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN ADMINISTERED BY  
THE FIRE & POLICE PENSION ASSOCIATION  
AS OF DECEMBER 31, 2019

|                                                                      | <u>2019</u>     | <u>2018</u>     | <u>2017</u>     | <u>2016</u>     | <u>2015</u>     |
|----------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Contractually required contribution                                  | \$ 5,127        | \$ 6,842        | \$ 7,205        | \$ 8,173        | \$ 7,050        |
| Contributions in relation to the contractually required contribution | <u>\$ 5,127</u> | <u>\$ 6,842</u> | <u>\$ 7,205</u> | <u>\$ 8,173</u> | <u>\$ 7,050</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     |
| Town's covered payroll                                               | \$63,937        | \$85,525        | \$90,063        | \$102,163       | \$88,125        |
| Contributions as a percentage of covered payroll                     | 8%              | 8%              | 8%              | 8%              | 8%              |

TOWN OF SPRINGFIELD, COLORADO  
SCHEDULE OF THE NET PENSION LIABILITY  
VOLUNTEER FIREFIGHTER PENSION PLAN  
AS OF DECEMBER 31, 2019

|                                                                  | <u>2019</u>        | <u>2018</u>        | <u>2017</u>        | <u>2016</u>       | <u>2015</u>        |
|------------------------------------------------------------------|--------------------|--------------------|--------------------|-------------------|--------------------|
| Total Pension Liability                                          | \$ 51,087          | \$ 55,336          | \$ 53,389          | \$ 49,820         | \$ 48,654          |
| Plan Fiduciary Net Position                                      | <u>\$ 167,819</u>  | <u>\$ 171,947</u>  | <u>\$ 152,816</u>  | <u>\$144,775</u>  | <u>\$ 142,817</u>  |
| Net Pension Liability (Asset)                                    | <u>\$(116,732)</u> | <u>\$(116,611)</u> | <u>\$ (99,427)</u> | <u>\$(94,955)</u> | <u>\$ (94,163)</u> |
| Plan Fiduciary Net Position as<br>a % of Total Pension Liability | <u>328.50%</u>     | <u>310.73%</u>     | <u>286.23%</u>     | <u>290.60%</u>    | <u>293.54%</u>     |
| Covered Payroll                                                  | N/A                | N/A                | N/A                | N/A               | N/A                |
| Net Pension Liability as a %<br>of Covered Payroll               | N/A                | N/A                | N/A                | N/A               | N/A                |

TOWN OF SPRINGFIELD, COLORADO  
VOLUNTEER FIRE DEPARTMENT PENSION FUND  
SCHEDULE OF CONTRIBUTIONS MULTI-YEAR  
LAST 10 FISCAL YEARS (TO BE BUILT PROSPECTIVELY)  
For the Year Ended DECEMBER 31, 2019

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| <u>FY Ended<br/>December 31,</u> | <u>Actuarially<br/>Determined<br/>Contribution</u> | <u>Actual<br/>Contribution*</u> | <u>Contribution<br/>Deficiency<br/>(Excess)</u> | <u>Covered<br/>Payroll</u> | <u>Actual<br/>Contribution as a<br/>% of Covered<br/>Payroll</u> |
|----------------------------------|----------------------------------------------------|---------------------------------|-------------------------------------------------|----------------------------|------------------------------------------------------------------|
| 2015                             | -                                                  | 4,178                           | (4,178)                                         | N/A                        | N/A                                                              |
| 2016                             | -                                                  | 4,178                           | (4,178)                                         | N/A                        | N/A                                                              |
| 2017                             | -                                                  | 4,178                           | (4,178)                                         | N/A                        | N/A                                                              |
| 2018                             | -                                                  | 4,178                           | (4,178)                                         | N/A                        | N/A                                                              |
| 2019                             | -                                                  | 1,979                           | (1,979)                                         | N/A                        | N/A                                                              |

\* Includes both employer and State of Colorado Supplemental Discretionary Payment.

TOWN OF SPRINGFIELD, COLORADO  
VOLUNTEER FIRE DEPARTMENT PENSION FUND  
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET)  
AND RELATED RATIOS MULTIYEAR  
LAST 10 FISCAL YEARS (TO BE BUILT PROSPECTIVELY)  
FOR THE YEAR ENDED DECEMBER 31, 2019

| Measurement period ending December 31,                                 | <u>2014</u>    | <u>2015</u>    | <u>2016</u>    | <u>2017</u>    | <u>2018</u>    |
|------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Total Pension Liability                                                |                |                |                |                |                |
| Service Cost <sup>1</sup>                                              | 1,296          | 1,025          | 1,025          | 1,156          | 1,156          |
| Interest on the Total Pension Liability                                | 4,082          | 3,561          | 3,648          | 3,931          | 4,109          |
| Benefit Changes                                                        | -              | -              | -              | -              | -              |
| Difference between Expected and Actual Experience                      | (8,679)        | -              | 33             | -              | (9,236)        |
| Assumption Changes                                                     | -              | -              | 2,283          | -              | 2,002          |
| Benefit Payments                                                       | <u>(3,615)</u> | <u>(3,420)</u> | <u>(3,420)</u> | <u>(3,140)</u> | <u>(2,280)</u> |
| Net Change in Total Pension Liability                                  | <u>(6,916)</u> | <u>1,166</u>   | <u>3,569</u>   | <u>1,947</u>   | <u>(4,249)</u> |
| Total Pension Liability – Beginning                                    | <u>55,570</u>  | <u>48,654</u>  | <u>49,820</u>  | <u>53,389</u>  | <u>55,336</u>  |
| Total Pension Liability – Ending                                       | <u>48,654</u>  | <u>49,820</u>  | <u>53,389</u>  | <u>55,336</u>  | <u>51,087</u>  |
| Plan Fiduciary Net Position                                            |                |                |                |                |                |
| Employer Contributions                                                 | 2,199          | 2,199          | 2,199          | 2,199          | -              |
| Pension Plan Net Investment Income                                     | 9,039          | 2,555          | 7,791          | 22,114         | 45             |
| Benefit Payments                                                       | (3,615)        | (3,420)        | (3,420)        | (3,140)        | (2,280)        |
| Pension Plan Administrative Expense                                    | (594)          | (1,355)        | (508)          | (4,021)        | (3,872)        |
| State of Colorado Supplemental Discretionary Payment                   | <u>1,979</u>   | <u>1,979</u>   | <u>1,979</u>   | <u>1,979</u>   | <u>1,979</u>   |
| Net Change in Plan Fiduciary Net Position                              | <u>9,008</u>   | <u>1,958</u>   | <u>8,041</u>   | <u>19,131</u>  | <u>(4,128)</u> |
| Plan Fiduciary Net Position – Beginning                                | <u>133,809</u> | <u>142,817</u> | <u>144,775</u> | <u>152,816</u> | <u>171,947</u> |
| Plan Fiduciary Net Position – Ending                                   | <u>142,817</u> | <u>144,775</u> | <u>152,816</u> | <u>171,947</u> | <u>167,819</u> |
| Net Pension Liability/(Asset) – Ending                                 | (94,163)       | (94,955)       | (99,427)       | (116,611)      | (116,732)      |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 293.54%        | 290.60%        | 286.23%        | 310.73%        | 328.50%        |
| Covered Payroll                                                        | N/A            | N/A            | N/A            | N/A            | N/A            |
| Net Pension Liability as a Percentage of Covered Payroll               | N/A            | N/A            | N/A            | N/A            | N/A            |

TOWN OF SPRINGFIELD, COLORADO  
SCHEDULE OF THE NET PENSION LIABILITY  
OLD HIRE POLICE PENSION PLAN  
AS OF DECEMBER 31, 2019

|                                                                  | <u>2019</u>       | <u>2018</u>        | <u>2017</u>        | <u>2016</u>        | <u>2015</u>        |
|------------------------------------------------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| Total Pension Liability                                          | \$319,896         | \$ 340,015         | \$ 340,643         | \$ 359,315         | \$ 339,993         |
| Plan Fiduciary Net Position                                      | <u>\$376,170</u>  | <u>\$ 423,742</u>  | <u>\$ 411,335</u>  | <u>\$ 436,059</u>  | <u>\$ 472,528</u>  |
| Net Pension Liability (Asset)                                    | <u>\$(56,274)</u> | <u>\$ (83,727)</u> | <u>\$ (70,692)</u> | <u>\$ (76,744)</u> | <u>\$(132,535)</u> |
| Plan Fiduciary Net Position as<br>a % of Total Pension Liability | <u>117.59%</u>    | <u>124.62%</u>     | <u>120.75%</u>     | <u>121.36%</u>     | <u>138.98%</u>     |
| Covered Payroll                                                  | N/A               | N/A                | N/A                | N/A                | N/A                |
| Net Pension Liability as a %<br>of Covered Payroll               | N/A               | N/A                | N/A                | N/A                | N/A                |

TOWN OF SPRINGFIELD, COLORADO  
 OLD HIRE POLICE PENSION FUND  
 SCHEDULE OF CONTRIBUTIONS MULTI-YEAR  
 LAST 10 FISCAL YEARS (TO BE BUILT PROSPECTIVELY)  
 For the Year Ended DECEMBER 31, 2019

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| <u>FY Ended<br/>December 31,</u> | <u>Actuarially<br/>Determined<br/>Contribution</u> | <u>Actual<br/>Contribution*</u> | <u>Contribution<br/>Deficiency<br/>(Excess)</u> | <u>Covered<br/>Payroll</u> | <u>Actual<br/>Contribution as a<br/>% of Covered<br/>Payroll</u> |
|----------------------------------|----------------------------------------------------|---------------------------------|-------------------------------------------------|----------------------------|------------------------------------------------------------------|
| 2015                             | -                                                  | -                               | -                                               | N/A                        | N/A                                                              |
| 2016                             | -                                                  | -                               | -                                               | N/A                        | N/A                                                              |
| 2017                             | -                                                  | -                               | -                                               | N/A                        | N/A                                                              |
| 2018                             | -                                                  | -                               | -                                               | N/A                        | N/A                                                              |
| 2019                             | -                                                  | -                               | -                                               | N/A                        | N/A                                                              |

\* Includes both employer and State of Colorado Supplemental Discretionary Payment.

TOWN OF SPRINGFIELD, COLORADO  
 OLD HIRE POLICE PENSION FUND  
 SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET)  
 AND RELATED RATIOS MULTIYEAR  
 LAST 10 FISCAL YEARS (TO BE BUILT PROSPECTIVELY)  
 FOR THE YEAR ENDED DECEMBER 31, 2019

| Measurement period ending December 31,                                    | <u>2014</u>     | <u>2015</u>     | <u>2016</u>     | <u>2017</u>     | <u>2018</u>     |
|---------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Total Pension Liability                                                   |                 |                 |                 |                 |                 |
| Service Cost                                                              | -               | -               | -               | -               | -               |
| Interest on the Total Pension Liability                                   | 19,169          | 23,879          | 25,328          | 23,928          | 23,881          |
| Benefit Changes                                                           | 87,639          | -               | -               | -               | -               |
| Difference between Expected<br>and Actual Experience                      | -               | 18,173          | -               | 19,444          | -               |
| Assumption Changes                                                        | -               | 21,270          | -               | -               | -               |
| Benefit Payments                                                          | <u>(44,000)</u> | <u>(44,000)</u> | <u>(44,000)</u> | <u>(44,000)</u> | <u>(44,000)</u> |
| Net Change in Total Pension Liability                                     | 62,808          | 19,322          | (18,672)        | (628)           | (20,119)        |
| Total Pension Liability – Beginning                                       | <u>277,185</u>  | <u>339,993</u>  | <u>359,315</u>  | <u>340,643</u>  | <u>340,015</u>  |
| Total Pension Liability – Ending                                          | <u>339,993</u>  | <u>359,315</u>  | <u>340,643</u>  | <u>340,015</u>  | <u>319,896</u>  |
| Plan Fiduciary Net Position                                               |                 |                 |                 |                 |                 |
| Employer Contributions                                                    | -               | -               | -               | -               | -               |
| Employee Contributions                                                    | -               | -               | -               | -               | -               |
| Pension Plan Net Investment Income                                        | 32,100          | 8,546           | 21,808          | 57,096          | 699             |
| Benefit Payments                                                          | (44,000)        | (44,000)        | (44,000)        | (44,000)        | (44,000)        |
| Pension Plan Administrative Expense                                       | <u>(4,817)</u>  | <u>(1,015)</u>  | <u>(2,532)</u>  | <u>(689)</u>    | <u>(4,271)</u>  |
| Net Change in Plan Fiduciary Net Position                                 | (16,717)        | (36,469)        | (24,724)        | 12,407          | (47,572)        |
| Plan Fiduciary Net Position – Beginning                                   | <u>489,245</u>  | <u>472,528</u>  | <u>436,059</u>  | <u>411,335</u>  | <u>423,742</u>  |
| Plan Fiduciary Net Position – Ending                                      | <u>472,528</u>  | <u>436,059</u>  | <u>411,335</u>  | <u>423,742</u>  | <u>376,170</u>  |
| Net Pension Liability/(Asset) – Ending                                    | (132,535)       | (76,744)        | (70,692)        | (83,727)        | (56,274)        |
| Plan Fiduciary Net Position as a<br>Percentage of Total Pension Liability | 138.98%         | 121.36%         | 120.75%         | 124.62%         | 117.59%         |
| Covered Payroll                                                           | N/A             | N/A             | N/A             | N/A             | N/A             |
| Net Pension Liability as a Percentage<br>of Covered Payroll               | N/A             | N/A             | N/A             | N/A             | N/A             |

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

### NON MAJOR GOVERNMENTAL FUND

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Conservation Trust Fund – to account for the operations of a conservations trust fund financed by the state. Contributions are to be for the improvement of park and recreation facilities.

Baca County Fire Department – to account for the operations of the Baca County Fire Department. The fund is financed by Town and County Contributions.

Pool Fund – to account for operations and improvements to the town's swimming pool. This fund is financial by grants and donations.

TOWN OF SPRINGFIELD, COLORADO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
December 31, 2019

|                                            | Special Revenue Fund  |                                |               | Total<br>Non-Major<br>Governmental<br>Funds |
|--------------------------------------------|-----------------------|--------------------------------|---------------|---------------------------------------------|
|                                            | Conservation<br>Trust | Baca County<br>Fire Department | Pool<br>Fund  |                                             |
| <u>ASSETS</u>                              |                       |                                |               |                                             |
| Cash and Cash Equivalents                  | 21,513                | 107,346                        | 11,128        | 139,987                                     |
| <u>Total Assets</u>                        | <u>21,513</u>         | <u>107,346</u>                 | <u>11,128</u> | <u>139,987</u>                              |
| <u>LIABILITIES AND FUND BALANCES</u>       |                       |                                |               |                                             |
| <u>Liabilities</u>                         |                       |                                |               |                                             |
| Accounts Payable                           | -                     | -                              | -             | -                                           |
| Due to Other Funds                         | -                     | -                              | -             | -                                           |
| <u>Total Liabilities</u>                   | <u>-</u>              | <u>-</u>                       | <u>-</u>      | <u>-</u>                                    |
| <u>FUND BALANCES</u>                       |                       |                                |               |                                             |
| Restricted for:                            |                       |                                |               |                                             |
| Culture and Recreation                     | 21,513                | -                              | 11,128        | 32,641                                      |
| Assigned for:                              |                       |                                |               |                                             |
| Public Safety                              | -                     | 107,346                        | -             | 107,346                                     |
| <u>Total Fund Balances</u>                 | <u>21,513</u>         | <u>107,346</u>                 | <u>11,128</u> | <u>139,987</u>                              |
| <u>TOTAL LIABILITIES AND FUND BALANCES</u> | <u>21,513</u>         | <u>107,346</u>                 | <u>11,128</u> | <u>139,987</u>                              |

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

TOWN OF SPRINGFIELD, COLORADO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 NONMAJOR GOVERNMENTAL FUNDS  
 Year Ended December 31, 2019

|                                                                                              | Special Revenue Fund  |                                |               | Total<br>Nonmajor<br>Governmental<br>Funds |
|----------------------------------------------------------------------------------------------|-----------------------|--------------------------------|---------------|--------------------------------------------|
|                                                                                              | Conservation<br>Trust | Baca County<br>Fire Department | Pool<br>Fund  |                                            |
| <u>REVENUES</u>                                                                              |                       |                                |               |                                            |
| Intergovernmental                                                                            | 7,779                 | 17,500                         | -             | 25,279                                     |
| Interest                                                                                     | 40                    | 1,600                          | 11            | 1,651                                      |
| Contributions and Donations                                                                  | -                     | -                              | 16            | 16                                         |
| Insurance Proceeds & Other                                                                   | -                     | 392                            | -             | 392                                        |
| <u>Total Revenues</u>                                                                        | <u>7,819</u>          | <u>19,492</u>                  | <u>27</u>     | <u>27,338</u>                              |
| <u>EXPENDITURES</u>                                                                          |                       |                                |               |                                            |
| Culture and Recreation                                                                       | 4,406                 | -                              | -             | 4,406                                      |
| Capital Outlay                                                                               | -                     | -                              | -             | -                                          |
| Public Safety                                                                                | -                     | 32,487                         | -             | 32,487                                     |
| <u>Total Expenditures</u>                                                                    | <u>4,406</u>          | <u>32,487</u>                  | <u>-</u>      | <u>36,893</u>                              |
| <u>REVENUES OVER (UNDER)</u>                                                                 |                       |                                |               |                                            |
| <u>EXPENDITURES</u>                                                                          | <u>3,413</u>          | <u>(12,995)</u>                | <u>27</u>     | <u>(9,555)</u>                             |
| <u>OTHER FINANCING SOURCES (USES)</u>                                                        |                       |                                |               |                                            |
| Lease Purchase Proceeds                                                                      | -                     | -                              | -             | -                                          |
| Operating Transfers In (Out)                                                                 | -                     | 17,500                         | -             | 17,500                                     |
| <u>Total Other Financing Sources (Uses)</u>                                                  | <u>-</u>              | <u>17,500</u>                  | <u>-</u>      | <u>17,500</u>                              |
| <u>REVENUES AND OTHER FINANCING<br/>SOURCES OVER (UNDER) EXPENDITURES<br/>AND OTHER USES</u> | <u>3,413</u>          | <u>4,505</u>                   | <u>27</u>     | <u>7,945</u>                               |
| <u>FUND BALANCE, Beginning</u>                                                               | <u>18,100</u>         | <u>102,841</u>                 | <u>11,101</u> | <u>132,042</u>                             |
| <u>FUND BALANCE, Ending</u>                                                                  | <u>21,513</u>         | <u>107,346</u>                 | <u>11,128</u> | <u>139,987</u>                             |

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

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

|                                           | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u> | Variance-<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|--------------------------------------------------------|---------------|-----------------------------------------|
| <u>REVENUE</u>                            |                                                        |               |                                         |
| Intergovernmental Revenue                 | 6,500                                                  | 7,779         | 1,279                                   |
| Interest                                  | <u>50</u>                                              | <u>40</u>     | <u>(10)</u>                             |
| <u>Total Revenue</u>                      | <u>6,550</u>                                           | <u>7,819</u>  | <u>1,269</u>                            |
| <u>EXPENDITURES</u>                       |                                                        |               |                                         |
| Culture and Recreation                    | <u>9,507</u>                                           | <u>4,406</u>  | <u>5,101</u>                            |
| <u>Total Expenditures</u>                 | <u>9,507</u>                                           | <u>4,406</u>  | <u>5,101</u>                            |
| <u>REVENUES OVER (UNDER) EXPENDITURES</u> | (2,957)                                                | 3,413         |                                         |
| <u>FUND BALANCE, Beginning</u>            | <u>16,219</u>                                          | <u>18,100</u> |                                         |
| <u>FUND BALANCE, Ending</u>               | <u>13,262</u>                                          | <u>21,513</u> |                                         |

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

TOWN OF SPRINGFIELD, COLORADO  
BACA COUNTY FIRE DEPARTMENT FUND – SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended December 31, 2019

|                                                                                              | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>  | <u>Variance-<br/>Favorable<br/>(Unfavorable)</u> |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------|--------------------------------------------------|
| <u>REVENUE</u>                                                                               |                                                        |                |                                                  |
| Intergovernmental                                                                            | 17,500                                                 | 17,500         | -                                                |
| Interest                                                                                     | 300                                                    | 1,600          | 1,300                                            |
| Donations                                                                                    | -                                                      | -              | -                                                |
| Other                                                                                        | <u>100</u>                                             | <u>392</u>     | <u>292</u>                                       |
| <u>Total Revenue</u>                                                                         | <u>17,900</u>                                          | <u>19,492</u>  | <u>1,592</u>                                     |
| <u>EXPENDITURES</u>                                                                          |                                                        |                |                                                  |
| Other                                                                                        | 1,900                                                  | 507            | 1,393                                            |
| Insurance                                                                                    | 8,500                                                  | 11,396         | (2,896)                                          |
| Repairs and Maintenance                                                                      | 10,000                                                 | 10,256         | (256)                                            |
| Fuel                                                                                         | 4,000                                                  | 1,986          | 2,014                                            |
| Equipment                                                                                    | 17,000                                                 | 1,022          | 15,978                                           |
| Training                                                                                     | 1,000                                                  | -              | 1,000                                            |
| Fire Calls                                                                                   | 900                                                    | 384            | 516                                              |
| Bonus                                                                                        | 1,100                                                  | 1,020          | 80                                               |
| Utilities                                                                                    | 4,200                                                  | 4,666          | (466)                                            |
| Capital Outlay                                                                               | <u>6,500</u>                                           | <u>1,250</u>   | <u>5,250</u>                                     |
| <u>Total Expenditures</u>                                                                    | <u>55,100</u>                                          | <u>32,487</u>  | <u>22,613</u>                                    |
| <u>REVENUES OVER (UNDER) EXPENDITURES</u>                                                    | (37,200)                                               | (12,995)       |                                                  |
| <u>OTHER FINANCING SOURCES (USES)</u>                                                        |                                                        |                |                                                  |
| Transfers In                                                                                 | <u>17,500</u>                                          | <u>17,500</u>  | <u>-</u>                                         |
| <u>Total Other Financing Sources (Uses)</u>                                                  | <u>17,500</u>                                          | <u>17,500</u>  | <u>-</u>                                         |
| <u>REVENUES AND OTHER FINANCING<br/>SOURCES OVER (UNDER) EXPENDITURES<br/>AND OTHER USES</u> | (19,700)                                               | 4,505          |                                                  |
| <u>FUND BALANCE, Beginning</u>                                                               | <u>103,481</u>                                         | <u>102,841</u> |                                                  |
| <u>FUND BALANCE, Ending</u>                                                                  | <u>83,781</u>                                          | <u>107,346</u> |                                                  |

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

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

|                                | <u>Budget</u> | <u>Actual</u> | Variance-<br>Favorable<br>(Unfavorable) |
|--------------------------------|---------------|---------------|-----------------------------------------|
| <u>REVENUE</u>                 |               |               |                                         |
| Intergovernmental              | -             | -             | -                                       |
| Donations                      | 10,000        | 16            | (9,984)                                 |
| Interest                       | <u>20</u>     | <u>11</u>     | <u>(9)</u>                              |
| <u>Total Revenue</u>           | <u>10,020</u> | <u>27</u>     | <u>(9,993)</u>                          |
| <u>EXPENDITURES</u>            |               |               |                                         |
| Recreation                     |               |               |                                         |
| Capital Outlay                 | -             | -             | -                                       |
| Maintenance and Repairs        | 10,000        | -             | 10,000                                  |
| Miscellaneous                  | <u>100</u>    | <u>-</u>      | <u>100</u>                              |
| <u>Total Expenditures</u>      | <u>10,100</u> | <u>-</u>      | <u>10,100</u>                           |
| <u>REVENUES OVER (UNDER)</u>   |               |               |                                         |
| <u>EXPENDITURES</u>            | (80)          | 27            |                                         |
| <u>FUND BALANCE, Beginning</u> | <u>11,101</u> | <u>11,101</u> |                                         |
| <u>FUND BALANCE, Ending</u>    | <u>11,021</u> | <u>11,128</u> |                                         |

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

ENTERPRISE FUNDS – BUDGET STATEMENTS

TOWN OF SPRINGFIELD, COLORADO  
ELECTRIC FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION  
BUDGET (NON-GAAP) AND ACTUAL  
For the Year Ended December 31, 2019

|                                                                    | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>    | <u>Variance-<br/>Favorable<br/>(Unfavorable)</u> |
|--------------------------------------------------------------------|--------------------------------------------------------|------------------|--------------------------------------------------|
| <u>REVENUES</u>                                                    |                                                        |                  |                                                  |
| Charges for Services                                               | 1,760,600                                              | 1,691,761        | (68,839)                                         |
| Interest                                                           | 12,000                                                 | 23,914           | 11,914                                           |
| Miscellaneous                                                      | 38,950                                                 | 41,718           | 2,768                                            |
| <u>Total Revenues</u>                                              | <u>1,811,550</u>                                       | <u>1,757,393</u> | <u>(54,157)</u>                                  |
| <u>EXPENSES</u>                                                    |                                                        |                  |                                                  |
| Purchased Power                                                    | 1,500,000                                              | 1,251,931        | 248,069                                          |
| System Operation                                                   | 53,900                                                 | 25,586           | 28,314                                           |
| System Maintenance                                                 | 331,000                                                | 40,896           | 290,104                                          |
| Administrative and General                                         | 163,213                                                | 109,417          | 53,796                                           |
| Capital Outlay                                                     | 62,400                                                 | 19,718           | 42,682                                           |
| Contingency                                                        | 100,000                                                | -                | 100,000                                          |
| <u>Total Expenses</u>                                              | <u>2,210,513</u>                                       | <u>1,447,548</u> | <u>762,965</u>                                   |
| <u>NET INCOME (LOSS) BEFORE OTHER<br/>FINANCING SOURCES (USES)</u> | <u>(398,963)</u>                                       | <u>309,845</u>   |                                                  |
| <u>OTHER FINANCING SOURCES (USES)</u>                              |                                                        |                  |                                                  |
| Insurance Proceeds                                                 | -                                                      | 18,020           | 18,020                                           |
| Transfers In (Out)                                                 | (83,000)                                               | (83,000)         | -                                                |
| <u>Total Other Financing Sources (Uses)</u>                        | <u>(83,000)</u>                                        | <u>(64,980)</u>  | <u>18,020</u>                                    |
| <u>NET INCOME (LOSS)</u>                                           | <u>(481,963)</u>                                       | <u>244,865</u>   |                                                  |
| <u>NET POSITION, Beginning</u>                                     | <u>1,450,699</u>                                       | <u>2,992,444</u> |                                                  |
| <u>BUDGETARY BASIS – NET POSITION</u>                              | <u>968,736</u>                                         | <u>3,237,309</u> |                                                  |
| <u>BUDGETARY ITEMS AFFECTING NET POSITION</u>                      |                                                        |                  |                                                  |
| Capital Outlay                                                     |                                                        | 15,135           |                                                  |
| Depreciation                                                       |                                                        | (84,392)         |                                                  |
| <u>NET POSITION, Ending</u>                                        | <u>968,736</u>                                         | <u>3,168,052</u> |                                                  |

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

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

|                                                                    | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u>    | <u>Variance-<br/>Favorable<br/>(Unfavorable)</u> |
|--------------------------------------------------------------------|------------------------------------------------------|------------------|--------------------------------------------------|
| <u>REVENUES</u>                                                    |                                                      |                  |                                                  |
| Charges for Services                                               | 324,850                                              | 307,745          | (17,105)                                         |
| Interest                                                           | 3,000                                                | 10,819           | 7,819                                            |
| Miscellaneous                                                      | <u>5,500</u>                                         | <u>10,795</u>    | <u>5,295</u>                                     |
| <u>Total Revenues</u>                                              | <u>333,350</u>                                       | <u>329,359</u>   | <u>(3,991)</u>                                   |
| <u>EXPENSES</u>                                                    |                                                      |                  |                                                  |
| System Operation                                                   | 144,500                                              | 137,846          | 6,654                                            |
| System Maintenance                                                 | 48,665                                               | 38,674           | 9,991                                            |
| Administrative and General                                         | 108,042                                              | 75,614           | 32,428                                           |
| Capital Outlay                                                     | 35,000                                               | 12,682           | 22,318                                           |
| Contingency                                                        | <u>30,000</u>                                        | <u>-</u>         | <u>30,000</u>                                    |
| <u>Total Expenses</u>                                              | <u>366,207</u>                                       | <u>264,816</u>   | <u>101,391</u>                                   |
| <u>NET INCOME (LOSS) BEFORE OTHER<br/>FINANCING SOURCES (USES)</u> | <u>(32,857)</u>                                      | <u>64,543</u>    |                                                  |
| <u>OTHER FINANCING SOURCES (USES)</u>                              |                                                      |                  |                                                  |
| Transfers In (Out)                                                 | (14,701)                                             | (14,701)         | -                                                |
| Grants and Loans                                                   | <u>12,375</u>                                        | <u>6,310</u>     | <u>(6,065)</u>                                   |
| <u>Total Other Financing Sources (Uses)</u>                        | <u>(2,326)</u>                                       | <u>(8,391)</u>   | <u>(6,065)</u>                                   |
| <u>NET INCOME (LOSS)</u>                                           | <u>(35,183)</u>                                      | <u>56,152</u>    |                                                  |
| <u>NET POSITION, Beginning</u>                                     | <u>802,068</u>                                       | <u>1,926,819</u> |                                                  |
| <u>BUDGETARY BASIS – NET POSITION</u>                              | <u>766,885</u>                                       | <u>1,982,971</u> |                                                  |
| <u>BUDGETARY ITEMS AFFECTING NET POSITION</u>                      |                                                      |                  |                                                  |
| Capital Outlay                                                     | -                                                    | 12,620           |                                                  |
| Depreciation                                                       | <u>-</u>                                             | <u>(90,823)</u>  |                                                  |
| <u>NET POSITION, Ending</u>                                        | <u>766,885</u>                                       | <u>1,904,768</u> |                                                  |

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

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

|                                                                    | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u>    | Variance-<br>Favorable<br>(Unfavorable) |
|--------------------------------------------------------------------|------------------------------------------------------|------------------|-----------------------------------------|
| <u>REVENUES</u>                                                    |                                                      |                  |                                         |
| Charges for Services                                               | 172,500                                              | 178,877          | 6,377                                   |
| Interest                                                           | 2,500                                                | 5,327            | 2,827                                   |
| Miscellaneous                                                      | <u>2,800</u>                                         | <u>5,309</u>     | <u>2,509</u>                            |
| <u>Total Revenues</u>                                              | <u>177,800</u>                                       | <u>189,513</u>   | <u>11,713</u>                           |
| <u>EXPENSES</u>                                                    |                                                      |                  |                                         |
| System Operation                                                   | 8,100                                                | 3,842            | 4,258                                   |
| System Maintenance                                                 | 72,165                                               | 68,588           | 3,577                                   |
| Administrative and General                                         | 89,863                                               | 52,614           | 37,249                                  |
| Debt Service                                                       | 26,700                                               | 26,700           | -                                       |
| Capital Outlay                                                     | 32,375                                               | 12,620           | 19,755                                  |
| Contingency                                                        | -                                                    | -                | -                                       |
| <u>Total Expenses</u>                                              | <u>229,203</u>                                       | <u>164,364</u>   | <u>64,839</u>                           |
| <u>NET INCOME (LOSS) BEFORE OTHER<br/>FINANCING SOURCES (USES)</u> | <u>(51,403)</u>                                      | <u>25,149</u>    |                                         |
| <u>OTHER FINANCING SOURCES (USES)</u>                              |                                                      |                  |                                         |
| Transfers In (Out)                                                 | (8,780)                                              | (8,780)          | -                                       |
| Grants and Loans                                                   | <u>12,375</u>                                        | <u>6,310</u>     | <u>(6,065)</u>                          |
| <u>Total Other Financing Sources (Uses)</u>                        | <u>3,595</u>                                         | <u>(2,470)</u>   | <u>(6,065)</u>                          |
| <u>NET INCOME (LOSS)</u>                                           | <u>(47,808)</u>                                      | <u>22,679</u>    |                                         |
| <u>NET POSITION, Beginning</u>                                     | <u>461,166</u>                                       | <u>1,149,406</u> |                                         |
| <u>BUDGETARY BASIS – RETAINED EARNINGS</u>                         | 413,358                                              | 1,172,085        |                                         |
| <u>BUDGETARY ITEMS AFFECTING NET POSITION</u>                      |                                                      |                  |                                         |
| Principal on Debt                                                  | -                                                    | 26,700           |                                         |
| Capital Outlay                                                     | -                                                    | 12,620           |                                         |
| Depreciation                                                       | -                                                    | (54,534)         |                                         |
| <u>NET POSITION, Ending</u>                                        | <u>413,358</u>                                       | <u>1,156,871</u> |                                         |

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

TOWN OF SPRINGFIELD, COLORADO  
SCHEDULE OF CHANGES IN RECEIPTS AND DISBURSEMENTS  
BUDGET (GAAP BASIS) AND ACTUAL  
FIDUCIARY FUNDS  
For the Year Ended December 31, 2019

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|                                            | <u>Agency Funds</u>                              |                | Variance-<br>Favorable<br>(Unfavorable) |
|--------------------------------------------|--------------------------------------------------|----------------|-----------------------------------------|
|                                            | <u>Budgeted Amounts<br/>Original &amp; Final</u> | <u>Actual</u>  |                                         |
| <u>ADDITIONS</u>                           |                                                  |                |                                         |
| Local Receipts                             | <u>600</u>                                       | <u>1,983</u>   | <u>1,383</u>                            |
| <u>DEDUCTIONS</u>                          |                                                  |                |                                         |
| Disbursements                              | <u>600</u>                                       | <u>555</u>     | <u>45</u>                               |
| <u>CHANGES IN DUE TO OTHERS</u>            | -                                                | 1,428          |                                         |
| <u>DEPOSITS HELD FOR OTHERS, Beginning</u> | <u>140,264</u>                                   | <u>139,624</u> |                                         |
| <u>DEPOSITS HELD FOR OTHERS, Ending</u>    | <u>140,264</u>                                   | <u>141,052</u> |                                         |

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

## OTHER SCHEDULES

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

|                                                                           |  |                                |  |
|---------------------------------------------------------------------------|--|--------------------------------|--|
| <b>LOCAL HIGHWAY FINANCE REPORT</b>                                       |  | City or County:<br>Springfield |  |
|                                                                           |  | YEAR ENDING :<br>December 2019 |  |
| This Information From The Records Of (example - City of _ or County of _) |  | Prepared By:<br>Phone:         |  |

  

| I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE |                           |                              |                                           |                                                 |
|------------------------------------------------------------------------------------|---------------------------|------------------------------|-------------------------------------------|-------------------------------------------------|
| ITEM                                                                               | A. Local Motor-Fuel Taxes | B. Local Motor-Vehicle Taxes | C. Receipts from State Highway-User Taxes | D. Receipts from Federal Highway Administration |
| 1. Total receipts available                                                        |                           |                              |                                           |                                                 |
| 2. Minus amount used for collection expenses                                       |                           |                              |                                           |                                                 |
| 3. Minus amount used for nonhighway purposes                                       |                           |                              |                                           |                                                 |
| 4. Minus amount used for mass transit                                              |                           |                              |                                           |                                                 |
| 5. Remainder used for highway purposes                                             |                           |                              |                                           |                                                 |

  

| II. RECEIPTS FOR ROAD AND STREET PURPOSES                   | III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES   |
|-------------------------------------------------------------|---------------------------------------------------|
| ITEM                                                        | ITEM                                              |
| <b>A. Receipts from local sources:</b>                      | <b>A. Local highway disbursements:</b>            |
| 1. Local highway-user taxes                                 | 1. Capital outlay (from page 2)                   |
| a. Motor Fuel (from Item I.A.5.)                            | 2. Maintenance:                                   |
| b. Motor Vehicle (from Item I.B.5.)                         | 3. Road and street services:                      |
| c. Total (a.+b.)                                            | a. Traffic control operations                     |
| 2. General fund appropriations                              | b. Snow and ice removal                           |
| 3. Other local imposts (from page 2)                        | c. Other                                          |
| 4. Miscellaneous local receipts (from page 2)               | d. Total (a. through c.)                          |
| 5. Transfers from toll facilities                           | 4. General administration & miscellaneous         |
| 6. Proceeds of sale of bonds and notes:                     | 5. Highway law enforcement and safety             |
| a. Bonds - Original Issues                                  | 6. Total (1 through 5)                            |
| b. Bonds - Refunding Issues                                 | <b>B. Debt service on local obligations:</b>      |
| c. Notes                                                    | 1. Bonds:                                         |
| d. Total (a. + b. + c.)                                     | a. Interest                                       |
| 7. Total (1 through 6)                                      | b. Redemption                                     |
| <b>B. Private Contributions</b>                             | c. Total (a. + b.)                                |
| <b>C. Receipts from State government</b><br>(from page 2)   | 2. Notes:                                         |
| <b>D. Receipts from Federal Government</b><br>(from page 2) | a. Interest                                       |
| <b>E. Total receipts (A.7 + B + C + D)</b>                  | b. Redemption                                     |
|                                                             | c. Total (a. + b.)                                |
|                                                             | 3. Total (1.c + 2.c)                              |
|                                                             | <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> |

  

| IV. LOCAL HIGHWAY DEBT STATUS<br>(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>                                    |              |               |             | 0            |

  

| V. LOCAL ROAD AND STREET FUND BALANCE |                      |                   |                        |                   |                   |
|---------------------------------------|----------------------|-------------------|------------------------|-------------------|-------------------|
|                                       | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|                                       |                      | 101,655           | 101,655                |                   | 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 |
|-----------------------------------|--------|-------------------------------------------|--------|
| <b>A.3. Other local imposts:</b>  |        | <b>A.4. Miscellaneous local receipts:</b> |        |
| a. Property Taxes and Assessments |        | 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  | 11,699 | g. Other Misc. Receipts                   |        |
| 6. Total (1. through 5.)          | 11,699 | h. Other                                  |        |
| c. Total (a. + b.)                | 11,699 | i. Total (a. through h.)                  | 0      |
| (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                    | 84,236 | 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           | 5,720  | 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.)                 | 5,720  | g. Total (a. through f.)                   | 0      |
| 4. Total (1. + 2. + 3.f)                 | 89,956 | 3. Total (1. + 2.g)                        |        |
|                                          |        | (Carry forward to page 1)                  |        |

## III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

|                                                     | ON NATIONAL<br>HIGHWAY<br>SYSTEM<br>(a) | OFF NATIONAL<br>HIGHWAY<br>SYSTEM<br>(b) | TOTAL<br>(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 & Operation                 |                                         |                                          | 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: