

**CITY OF DELTA, COLORADO**

**FINANCIAL STATEMENTS**  
**WITH**  
**INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2019**

## TABLE OF CONTENTS

**PAGE NO.**

Financial Section

Management's Discussion and Analysis (Required Supplementary Information) i - vi

Independent Auditors' Report 1 - 3

Government-Wide Financial Statements

Statement of Net Position 4

Statement of Activities 5

Fund Financial Statements

Balance Sheet – Governmental Funds 6

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position 7

Statement of Revenues, Expenditures, and Changes in  
Fund Balances – Governmental Funds 8

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the Statement of Activities 9

Statement of Net Position – Proprietary Funds 10

Statement of Revenues, Expenses, and Changes in  
Fund Net Position – Proprietary Funds 11

Statement of Cash Flows – Proprietary Funds 12

Notes to Financial Statements 13 - 31

Required Supplementary Information

Budgetary Comparison Schedule – General Fund 32 - 33

Budgetary Comparison Schedule – Recreation Center Fund 34

Budgetary Comparison Schedule – City-Wide Capital Improvement Fund 35

Budgetary Comparison Schedule – Delta Urban Renewal Authority Fund 36

## TABLE OF CONTENTS

(Continued)

### PAGE NO.

#### Other Supplementary Information

##### Combining Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds 37

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances – Nonmajor Governmental Funds 38

##### Budgetary Comparison Schedules:

Conservation Trust Fund 39

Perpetual Care Fund 40

Combining Statement of Net Position – Nonmajor Enterprise Funds 41

Combining Statement of Revenues, Expenses, and  
Changes in Fund Net Position – Nonmajor Enterprise Funds 42

Combining Statement of Cash Flows – Nonmajor Enterprise Funds 43

#### Statement of Revenues, Expenditures and Changes in Net Position Budget and Actual

Municipal Light and Power Fund 44

Sewer Fund 45

Water Fund 46

Refuse Fund 47

Golf Course Fund 48

##### Internal Service Fund

Combining Statement of Net Position – Internal Service Funds 49

Combining Statement of Revenues, Expenses, and  
Changes in Net Position – Internal Service Funds 50

Combining Statement of Cash Flows – Internal Service Funds 51

**TABLE OF CONTENTS**

(Continued)

**PAGE NO.**

Other Supplementary Information (continued)

Statement of Revenue, Expenses, and changes in Net Position Budget and Actual  
Internal Service Fund

52

Employee's Dental Insurance Fund

53

Local Highway Finance Report (State Compliance)

54 - 55

Supplemental Schedules Required Pursuant to Bond Agreement

Debt Service Coverage

56

History of City CIF Tax

56

History of County CIF Tax

56

Monthly Comparison of Collections of City CIF Tax

57

Monthly Comparison of Collections of County CIF Tax

57

Top 10 Generators of City 3% Sales & Use Tax

58

City-Wide Capital Improvement Fund Budget Summary & Comparison

59

Capital Improvements Plan Summary

59

History of General Fund Revenues Expenditures & Changes in Fund Balance

60

General Fund Budget Summary & Comparison

61

Revenue Obligations of the City

61

History of City-Wide Capital Improvement Fund & Debt Service Fund Revenues,  
Expenditures & Changes in Fund Balance

62

## **FINANCIAL SECTION**

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**Management's Discussion and Analysis  
(Required Supplementary Information)**

## Management's Discussion and Analysis

As management of the City of Delta, we offer readers of the City of Delta's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019.

### Financial Highlights

As of the close of the year, the City had \$17,476,354 in combined ending cash and investment balances compared to \$17,562,461 in combined ending cash and investment balances for the previous year.

### Overview of the Financial Statements

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

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City of Delta that are 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 City include general government, public safety, public works, health and safety and parks & recreation. The business-type activities of the City include the Electric, Sewer, Water, Golf and Refuse operations.

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

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, parks & recreation center fund, the DURA fund and the city-wide capital improvement fund, which are considered to be major funds. Data from four other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the report.

The City adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the general fund, parks & recreation center fund, DURA fund and the citywide capital improvement fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 6 through 9 of this report.

**Proprietary funds.** The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utility funds and the golf course fund operation. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and employees' dental insurance benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the funds. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 10 through 12 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 government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 through 31 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary comparisons for the general fund, parks & recreation center fund and the city-wide capital improvement fund. Required supplementary information can be found on pages 32 through 35 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds and budgetary comparison schedules are presented immediately following the required supplementary information on budgetary comparisons. Combining and individual fund statements and schedules can be found on pages 36 through 53 of this report.

#### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The City's assets exceeded liabilities by \$55,319,170 at the close of the year 2019.

The largest portion of the City's net position reflects its investment in the capital assets (e.g. land, buildings, infrastructure and equipment); less any related debt used to acquire those assets that are still outstanding. The resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### City of Delta's Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Current & other assets	\$ 7,190,936	\$ 6,774,146	\$ 12,761,661	\$ 13,353,013	\$ 19,952,597	\$ 20,127,159
Capital assets	43,365,980	40,809,030	20,248,705	19,352,544	63,614,685	60,161,574
Deferred outflows of resources	-	754,051	-	-	-	754,051
<b>Total assets</b>	<b>50,556,916</b>	<b>48,337,227</b>	<b>33,010,366</b>	<b>32,705,557</b>	<b>83,567,282</b>	<b>81,042,784</b>
Long-term liabilities	20,637,368	16,674,601	5,174,806	4,781,421	25,812,174	21,456,022
Other liabilities	673,879	845,915	727,210	768,114	1,401,089	1,614,029
<b>Total liabilities</b>	<b>21,311,247</b>	<b>17,520,516</b>	<b>5,902,016</b>	<b>5,549,535</b>	<b>27,213,263</b>	<b>23,070,051</b>
Deferred inflows of resources	86,297	2,645,683	6,550	7,880	92,847	2,653,563
Net position:						
Net investment in capital assets	23,068,949	24,518,634	15,251,924	14,754,148	38,320,873	39,272,782
Nonspendable	53,513	66,231	-	-	53,513	66,231
Restricted	4,057,690	3,569,834	-	-	4,057,690	3,569,834
Unrestricted	1,979,220	16,329	11,849,876	12,393,994	13,829,096	12,410,323
<b>Total net position</b>	<b>\$ 29,159,372</b>	<b>\$ 28,171,028</b>	<b>\$ 27,101,800</b>	<b>\$ 27,148,142</b>	<b>\$ 56,261,172</b>	<b>\$ 55,319,170</b>

The restricted portion the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

**City of Delta's Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
<b>Revenues:</b>						
Program revenues:						
Charges for						
services	\$ -	\$ -	\$11,015,889	\$ 11,219,776	\$ 11,015,889	\$ 11,219,776
Fees and fines	871,146	891,978	-	-	871,146	891,978
Grants	1,193,313	1,557,246	180,700	175,000	1,374,013	1,732,246
General revenues:						
Taxes:						
Sales tax	6,474,672	6,979,924	-	-	6,474,672	6,979,924
Franchise and						
Occupational tax	169,086	163,673	-	-	169,086	163,673
Cigarette	18,803	17,649	-	-	18,803	17,649
Endowment	-	-	-	-	-	-
Investment	80,258	115,057	214,789	260,116	295,047	375,173
Miscellaneous	90,381	168,593	445,643	487,446	536,024	656,039
Accounting and						
administration	801,613	818,560	(522,490)	(458,186)	279,123	360,374
Franchise tax						
equivalents	522,490	530,750	(445,570)	(530,750)	76,920	-
<b>Total revenue</b>	<b>10,221,762</b>	<b>11,243,430</b>	<b>10,888,961</b>	<b>11,153,402</b>	<b>21,110,723</b>	<b>22,396,832</b>
<b>Expenses:</b>						
General government	1,519,774	2,002,990	-	-	1,519,774	2,002,990
Public safety	2,129,524	2,282,694	-	-	2,129,524	2,282,694
Public works	5,631,190	4,359,739	-	-	5,631,190	4,359,739
Health and safety	-	-	-	-	-	-
Parks and recreation	3,089,369	3,185,893	-	-	3,089,369	3,185,893
Interest on Debt	-	1,124,458	-	-	-	1,124,458
Municipal Light & Power	-	-	5,806,923	5,865,742	5,806,923	5,865,742
Sewer	-	-	1,342,658	1,463,618	1,342,658	1,463,618
Water	-	-	1,778,883	1,650,055	1,778,883	1,650,055
Refuse	-	-	533,195	564,424	533,195	564,424
Golf	-	-	814,512	839,221	814,512	839,221
<b>Total expenses</b>	<b>12,369,857</b>	<b>12,955,774</b>	<b>10,276,171</b>	<b>10,383,060</b>	<b>22,646,028</b>	<b>23,338,834</b>
<b>Increase in net assets</b>						
before transfers	(2,148,095)	(1,712,344)	612,790	770,342	(1,535,305)	(942,002)
Transfers	285,342	724,000	(285,342)	(724,000)	-	-
<b>Increase (decrease) in net position</b>	<b>(1,862,753)</b>	<b>(988,344)</b>	<b>327,448</b>	<b>46,342</b>	<b>(1,535,305)</b>	<b>(942,002)</b>
<b>Net position - January 1st</b>	<b>31,022,125</b>	<b>29,159,372</b>	<b>26,774,352</b>	<b>27,101,800</b>	<b>57,796,477</b>	<b>56,261,172</b>
<b>Net position - December 31st</b>	<b>\$ 29,159,372</b>	<b>\$ 28,171,028</b>	<b>\$27,101,800</b>	<b>\$ 27,148,142</b>	<b>\$ 56,261,172</b>	<b>\$ 55,319,170</b>

**General Fund Budgetary Highlights**

A positive item to note on page 32 regarding the General Fund variance column is a 6.06% increase in sales and uses taxes received over the amount budgeted.

**Financial Analysis of the City's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

**Capital Asset and Debt Administration**

**Capital assets.** The City's investment in capital assets for its governmental and business type activities as of December 31, 2019, amounts to \$60,161,574 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, and roads and bridges.

**City of Delta Capital Assets**

(net of depreciation)

	Governmental		Business-type		Total	
	Activities		Activities			
	2018	2019	2018	2019	2018	2019
Land	\$ 3,709,250	\$ 3,534,250	\$ 952,610	\$ 952,610	\$ 4,661,860	\$ 4,486,860
Construction in Progress	82,606	82,606	239,240	-	321,846	82,606
Improvements other than buildings	3,209,010	2,961,981	-	-	3,209,010	2,961,981
Infrastructures	33,254,726	30,603,658			33,254,726	30,603,658
Buildings	1,945,873	2,293,878	350,317	301,860	2,296,190	2,595,738
Water rights and storage Treatment and generation facilities			479,273	473,554	479,273	473,554
Collection, transmission and distribution systems			2,935,872	2,929,209	2,935,872	2,929,209
Street lighting system			14,797,655	14,240,566	14,797,655	14,240,566
Vehicles and equipment	1,164,515	1,332,657	421,599	397,892	421,599	397,892
<b>Total</b>	<b>\$ 43,365,980</b>	<b>\$ 40,809,030</b>	<b>\$ 20,248,705</b>	<b>\$19,352,544</b>	<b>\$63,614,685</b>	<b>\$ 60,161,574</b>

Additional information on the City of Delta's capital assets can be found in note 3 on pages 22 through 24 of this report.

**Long-term debt.** At the end of the current fiscal year, the City of Delta had total bonded debt and note payable outstanding of \$20,828,396. Of this amount, \$16,230,000 is backed by Sales and Use Tax Revenue collections and the remaining \$4,598,396 debt is secured by specified revenue sources.

**City of Delta's Outstanding Debt**

	Governmental		Business-type		Total	
	Activities		Activities			
	2018	2019	2018	2019	2018	2019
Sales & use tax revenue bonds	\$ 20,200,000	\$ 16,230,000	\$ -	\$ -	\$ 20,200,000	\$ 16,230,000
Notes payable	-	-	4,991,499	4,598,396	4,991,499	4,598,396
<b>Total</b>	<b>\$ 20,200,000</b>	<b>\$ 16,230,000</b>	<b>\$ 4,991,499</b>	<b>\$ 4,598,396</b>	<b>\$ 25,191,499</b>	<b>\$ 20,828,396</b>

Additional information on the City's long-term debt can be found in note 6 on pages 26 through 28 of this report.

**Economic Factors and Future Year's Budgets**

The economic condition and outlook for the City in the upcoming year should be stable. The 2020 budget projects a 2% increase for sales tax. The City's 3% sales tax revenue is designated to three funds; 1% General Fund, 1% City Wide Capital Improvement Fund and 1% Parks & Recreation Center Fund. The City Wide Capital Improvement Fund has bond requirements and specific restrictions on how the Sales Tax Revenue can be spent. The Parks & Recreation Center Fund has specific restrictions on how the Sales Tax Revenue can be spent. These plus other factors were considered in preparing the City of Delta's budget for the 2020 fiscal year.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Delta's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the City of Delta, Office of the Finance Director, 360 Main Street, Delta, CO 81416.

# Mayberry & Company, LLC

## Certified Public Accountants

Member of the American Institute of Certified Public Accountants  
Governmental Audit Quality Center  
and Private Company Practice Section

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### INDEPENDENT AUDITORS' REPORT

City Council  
City of Delta  
Delta, Colorado

#### **Report on the Financial Statements**

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

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

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

#### ***Auditors' Responsibility***

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

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

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

***Opinions***

In our opinion, the 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 City of Delta, Colorado, as of December 31, 2019, and the respective changes in financial position, and, where applicable, cash flows, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Report on Summarized Comparative Information**

We have previously audited the City of Delta's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 18, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Matters**

***Required Supplementary Information – Management's Discussion and Analysis***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages i-vi 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 Management's Discussion and Analysis 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.

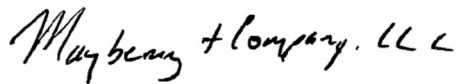
***Required Supplementary Information – Budgetary Comparison Schedules and Other Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 32 - 36 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. In addition, the combining and budgetary comparison statements and schedules listed as other supplementary information on pages 37 - 53 are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

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

**Report on Other Legal and Regulatory Requirements**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The *Local Highway Finance Report* pages 54 - 55 and the supplemental schedules required pursuant to bond agreements on pages 56 - 62 are presented for purposes of legal compliance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Mayberry + Company, LLC". The signature is written in a cursive, flowing style.

Englewood, Colorado  
May 8, 2020

CITY OF DELTA, COLORADO

**STATEMENT OF NET POSITION**

DECEMBER 31, 2019

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments			
Cash	\$ 1,316,916	\$ (76,275)	\$ 1,240,641
Investments	4,435,465	11,800,248	16,235,713
Receivables			
Accounts Receivable	866,260	1,044,391	1,910,651
Other Receivables	25,683	25,775	51,458
Inventory	126,497	557,237	683,734
Prepaid Expenses	3,325	1,637	4,962
Total Current Assets	<u>6,774,146</u>	<u>13,353,013</u>	<u>20,127,159</u>
<b>Noncurrent Assets</b>			
Capital Assets not being Depreciated	3,616,856	952,610	4,569,466
Capital Assets being Depreciated	98,926,421	46,339,054	145,265,475
Accumulated Depreciation	<u>(61,734,247)</u>	<u>(27,939,120)</u>	<u>(89,673,367)</u>
Total Noncurrent Assets	<u>40,809,030</u>	<u>19,352,544</u>	<u>60,161,574</u>
<b>DEFERRED OUTFLOWS OF FINANCIAL RESOURCES</b>			
Deferred Charge on Refunding	754,051	-	754,051
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 48,337,227</u>	<u>\$ 32,705,557</u>	<u>\$ 81,042,784</u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 331,922	\$ 672,732	\$ 1,004,654
Accrued Salaries and Benefits	248,425	87,432	335,857
Deposits and Escrow	205,172	-	205,172
Accrued Interest Payable	60,396	7,950	68,346
Total Current Liabilities	<u>845,915</u>	<u>768,114</u>	<u>1,614,029</u>
<b>Noncurrent Liabilities</b>			
Due within one year	495,000	2,957,957	3,452,957
Due in more than one year	16,179,601	1,823,464	18,003,065
Total Noncurrent Liabilities	<u>16,674,601</u>	<u>4,781,421</u>	<u>21,456,022</u>
TOTAL LIABILITIES	<u>17,520,516</u>	<u>5,549,535</u>	<u>23,070,051</u>
<b>DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>			
Bond Premiums	2,628,578	-	2,628,578
Other Deferred Inflows	17,105	7,880	24,985
TOTAL DEFERRED INFLOWS	<u>2,645,683</u>	<u>7,880</u>	<u>2,653,563</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	24,518,634	14,754,148	39,272,782
Restricted Net Position	3,569,834	-	3,569,834
Unrestricted Net Position	82,560	12,393,994	12,476,554
TOTAL NET POSITION	<u>28,171,028</u>	<u>27,148,142</u>	<u>55,319,170</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 48,337,227</u>	<u>\$ 32,705,557</u>	<u>\$ 81,042,784</u>

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

CITY OF DELTA

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<b>FUNCTIONS/PROGRAMS</b>				
Government Activities				
Current:				
General Government	\$ 2,002,990	\$ 891,978	\$ 629,754	\$ -
Public Safety	2,282,694	29,499	-	-
Public Works	4,359,741	136,204	825,670	-
Culture and Recreation	3,185,893	748,186	101,822	-
Interest on Debt	1,124,458	-	-	-
TOTAL GOVERNMENT ACTIVITIES	<u>12,955,776</u>	<u>1,805,867</u>	<u>1,557,246</u>	<u>-</u>
Business-type Activities				
Current:				
Municipal Light & Power	6,295,110	6,688,555	-	-
Sewer	1,631,993	1,335,336	-	109,000
Water	1,843,817	1,947,945	-	66,000
Refuse	689,337	712,186	-	-
Golf Course	911,739	535,754	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	<u>11,371,996</u>	<u>11,219,776</u>	<u>-</u>	<u>175,000</u>
TOTAL GOVERNMENT	<u>\$ 24,327,772</u>	<u>\$ 13,025,643</u>	<u>\$ 1,557,246</u>	<u>\$ 175,000</u>
<b>GENERAL REVENUES</b>				
Property Taxes				
Sales and Use Taxes				
Franchise and In Lieu of Taxes				
Other Taxes				
Interest Income				
Gain (Loss) on Disposal of Capital Assets				
Insurance Proceeds				
Other Revenues				
<b>TRANSFERS</b>				
TOTAL GENERAL REVENUES AND TRANSFERS				
<b>CHANGE IN NET POSITION</b>				
NET POSITION - Beginning				
NET POSITION - Ending				

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

NET (EXPENSE) REVENUE AND  
CHANGES IN NET POSITION

GOVERNMENT ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
\$ (481,258)	\$ -	\$ (481,258)
(2,253,195)	-	(2,253,195)
(3,397,867)	-	(3,397,867)
(2,335,885)	-	(2,335,885)
<u>(1,124,458)</u>	<u>-</u>	<u>(1,124,458)</u>
<u>(9,592,663)</u>	<u>-</u>	<u>(9,592,663)</u>
-	393,445	393,445
-	(187,657)	(187,657)
-	170,128	170,128
-	22,849	22,849
<u>-</u>	<u>(375,985)</u>	<u>(375,985)</u>
<u>-</u>	<u>22,780</u>	<u>22,780</u>
<u>(9,592,663)</u>	<u>22,780</u>	<u>(9,569,883)</u>
7,002	-	7,002
6,979,924	-	6,979,924
675,483	-	675,483
18,940	-	18,940
115,057	260,116	375,173
11,078	-	11,078
4,120	487,446	491,566
68,715	-	68,715
<u>724,000</u>	<u>(724,000)</u>	<u>-</u>
<u>8,604,319</u>	<u>23,562</u>	<u>8,627,881</u>
(988,344)	46,342	(942,002)
<u>29,159,372</u>	<u>27,101,800</u>	<u>56,261,172</u>
<u>\$ 28,171,028</u>	<u>\$ 27,148,142</u>	<u>\$ 55,319,170</u>

## CITY OF DELTA, COLORADO

**BALANCE SHEET****GOVERNMENTAL FUNDS**

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	SPECIAL REVENUE FUNDS				
	General Fund	Parks and Recreation Center Fund	Delta Urban Renewal Authority Fund	City-Wide Capital Improvement Fund	Other Funds
<b>ASSETS AND DEFERRED OUTFLOWS</b>					
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Investments					
Cash	\$ 759,612	\$ 103,012	\$ 156,712	\$ 17,133	\$ 122,661
Investments	1,102,974	311,737	-	1,996,815	248,787
Restricted Cash and Investments	-	-	-	-	-
Receivables					
Accounts Receivable	323,016	203,101	-	340,143	-
Other Receivables	-	-	15,957	-	-
Inventory	-	4,271	-	-	-
Prepaid Expenses	534	1,721	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,186,136</u>	<u>\$ 623,842</u>	<u>\$ 172,669</u>	<u>\$ 2,354,091</u>	<u>\$ 371,448</u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>					
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts Payable	\$ 75,506	\$ 18,899	\$ 172,368	\$ 3,163	\$ -
Accrued Liabilities	-	-	-	-	-
Accrued Salaries and Benefits	157,665	79,010	-	-	-
Deposits and Escrow	162,177	28,995	-	14,000	-
TOTAL LIABILITIES	<u>395,348</u>	<u>126,904</u>	<u>172,368</u>	<u>17,163</u>	<u>-</u>
<b>DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>					
Other Deferred Inflows	-	17,105	-	-	-
<b>FUND BALANCE</b>					
Nonspendable Fund Balance	534	12,037	-	-	53,660
Restricted Fund Balance	447,021	467,796	301	2,336,928	317,788
Assigned Fund Balance	586,949	-	-	-	-
Unassigned Fund Balance	756,284	-	-	-	-
TOTAL FUND BALANCE	<u>1,790,788</u>	<u>479,833</u>	<u>301</u>	<u>2,336,928</u>	<u>371,448</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 2,186,136</u>	<u>\$ 623,842</u>	<u>\$ 172,669</u>	<u>\$ 2,354,091</u>	<u>\$ 371,448</u>

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

<b>Total</b>	
<b>2019</b>	<b>2018</b>
\$ 1,159,130	\$ 938,193
3,660,313	4,227,160
-	(9,370)
866,260	817,013
15,957	22,767
4,271	3,155
2,255	1,288
<u>\$ 5,708,186</u>	<u>\$ 6,000,206</u>

\$ 269,936	\$ 130,473
-	4,442
236,675	205,598
<u>205,172</u>	<u>185,217</u>
<u>711,783</u>	<u>525,730</u>
<u>17,105</u>	<u>12,627</u>
66,231	53,513
3,569,834	4,057,691
586,949	401,652
756,284	948,993
<u>4,979,298</u>	<u>5,461,849</u>
<u>\$ 5,708,186</u>	<u>\$ 6,000,206</u>

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CITY OF DELTA, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE  
TO GOVERNMENTAL ACTIVITIES NET POSITION  
DECEMBER 31, 2019**

<b>Fund Balance - Governmental Funds</b>		\$	4,979,298
Capital assets used in governmental activities are not financial resources and are therefore not reported in the fund			
Capital assets, not being depreciated	\$	3,616,856	
Capital assets, being depreciated		93,226,895	
Accumulated depreciation		<u>(57,266,533)</u>	39,577,218
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds			
Deferred charge (gain) on refunding		754,051	
Bond premiums		<u>(2,628,578)</u>	(1,874,527)
Internal Service operations primarily benefit Governmental Activities			
Internal Service Fund Net Position			2,207,906
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds			
Bonds payable		(16,230,000)	
Accrued interest payable		(60,396)	
Accrued compensated absences		<u>(428,471)</u>	<u>(16,718,867)</u>
<b>Total Net Position - Governmental Activities</b>			<b>\$ <u>28,171,028</u></b>

The accompanying notes are an integral part of these financial statements

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	<b>SPECIAL REVENUE FUNDS</b>			
	<b>General</b>	<b>Parks and</b>	<b>Delta Urban</b>	<b>City-Wide Capital</b>
	<b>Fund</b>	<b>Recreation Center</b>	<b>Renewal</b>	<b>Improvement</b>
	<b>Fund</b>	<b>Fund</b>	<b>Authority</b>	<b>Fund</b>
<b>REVENUES</b>				
Taxes	\$ 2,770,571	\$ 2,076,159	\$ 7,003	\$ 2,827,617
Intergovernmental Revenues	771,689	14,324	270,902	384,013
Licenses and Permits	175,118	-	-	-
Fines and Forfeits	25,824	-	-	-
Internal Charges	818,560	-	-	-
Charges for Services	24,572	757,052	-	-
Investment Earnings	29,159	7,156	-	73,032
Other Revenues	83,501	4,321	-	185,586
<b>TOTAL REVENUES</b>	<b>4,698,994</b>	<b>2,859,012</b>	<b>277,905</b>	<b>3,470,248</b>
<b>EXPENDITURES</b>				
Current:				
General Government	1,249,118	-	-	-
Public Safety	2,259,684	-	-	-
Public Works	828,452	-	6,157	221,037
Parks, Recreation and Other	132,529	2,509,953	-	-
Internal Charges	308,317	336,679	-	73,972
Capital Outlay	88,983	24,401	517,572	685,882
Debt Service	-	-	-	1,769,442
<b>TOTAL EXPENDITURES</b>	<b>4,867,083</b>	<b>2,871,033</b>	<b>523,729</b>	<b>2,750,333</b>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	<b>(168,089)</b>	<b>(12,021)</b>	<b>(245,824)</b>	<b>719,915</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt Proceeds	-	-	-	18,858,578
Escrow Payments	-	-	-	(20,419,372)
Transfers (In)	500,000	-	224,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>500,000</b>	<b>-</b>	<b>224,000</b>	<b>(1,560,794)</b>
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>	<b>331,911</b>	<b>(12,021)</b>	<b>(21,824)</b>	<b>(840,879)</b>
<b>FUND BALANCE, BEGINNING</b>	<b>1,458,877</b>	<b>491,854</b>	<b>22,125</b>	<b>3,177,807</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,790,788</b>	<b>\$ 479,833</b>	<b>\$ 301</b>	<b>\$ 2,336,928</b>

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

Other Funds	Total	
	2019	2018
\$ -	\$ 7,681,350	\$ 7,166,248
101,822	1,542,750	1,187,125
-	175,118	123,692
-	25,824	39,875
-	818,560	801,613
4,740	786,364	768,425
5,711	115,058	80,258
-	273,408	54,530
<u>112,273</u>	<u>11,418,432</u>	<u>10,221,766</u>
-	1,249,118	1,115,793
-	2,259,684	1,970,421
-	1,055,646	897,838
4,266	2,646,748	2,444,441
-	718,968	762,018
47,745	1,364,583	791,539
-	1,769,442	1,777,855
<u>52,011</u>	<u>11,064,189</u>	<u>9,759,905</u>
<u>60,262</u>	<u>354,243</u>	<u>461,861</u>
-	18,858,578	-
-	(20,419,372)	-
-	724,000	271,842
-	(836,794)	271,842
60,262	(482,551)	733,703
311,186	5,461,849	4,728,146
<u>\$ 371,448</u>	<u>\$ 4,979,298</u>	<u>\$ 5,461,849</u>

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CITY OF DELTA, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE  
TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>Change in Fund Balance - Governmental Funds</b>		\$	(482,551)
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level			
Capitalized Asset Purchases	1,305,306		
Depreciation Expense	(3,859,977)		
Gain (Loss) on Asset Disposals	<u>(175,000)</u>		(2,729,671)
Internal Service operations primarily benefit Governmental Activities			
Change in net position - Internal Service Funds			23,008
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level			
Proceeds from debt issuances	(16,230,000)		
Premiums from debt issuances	(2,558,257)		
Defeased bonds	19,595,000		
Principal payments on bonds payable	605,000		
Change in accrued interest payable	36,635		
Deferred gain on refunding	754,051		
Amortization of premiums and discounts	3,349		
Change in accrued compensated absences	<u>(4,908)</u>		<u>2,200,870</u>
<b>Change in Net Position - Governmental Activities</b>		\$	<u>(988,344)</u>

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

## CITY OF DELTA, COLORADO

**STATEMENT OF NET POSITION****PROPRIETARY FUNDS**

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	Business-type Activities			
	Municipal Light & Power	Sewer	Water	Golf Course
	Fund	Fund	Fund	Fund
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Investments				
Cash	\$ 129,338	\$ (104,859)	\$ (86,322)	\$ 20,210
Investments	4,881,314	2,858,484	3,069,436	-
Receivables				
Accounts Receivable	703,866	129,399	137,624	-
Other Receivables	18,725	1,381	3,378	2,291
Inventory	310,313	142,849	93,583	10,492
Prepaid Expenses	537	250	300	550
Total Current Assets	<u>6,044,093</u>	<u>3,027,504</u>	<u>3,217,999</u>	<u>33,543</u>
<b>Noncurrent Assets</b>				
Capital Assets not being depreciated	103,950	445,186	259,534	143,940
Capital Assets being depreciated	13,427,534	18,474,353	9,776,058	4,661,109
Accumulated Depreciation	<u>(6,151,258)</u>	<u>(11,281,128)</u>	<u>(6,130,448)</u>	<u>(4,376,286)</u>
Total Noncurrent Assets	<u>7,380,226</u>	<u>7,638,411</u>	<u>3,905,144</u>	<u>428,763</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 13,424,319</u>	<u>\$ 10,665,915</u>	<u>\$ 7,123,143</u>	<u>\$ 462,306</u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 581,426	\$ 19,584	\$ 42,907	\$ 8,191
Accrued Salaries and Benefits	26,330	22,605	17,532	14,710
Accrued Interest Payable	3,645	2,341	-	1,964
Total Current Liabilities	<u>611,401</u>	<u>44,530</u>	<u>60,439</u>	<u>24,865</u>
<b>Noncurrent Liabilities</b>				
Due within one year	1,847,648	114,922	-	995,387
Due in more than one year	<u>47,058</u>	<u>1,701,795</u>	<u>33,369</u>	<u>34,717</u>
Total Noncurrent Liabilities	<u>1,894,706</u>	<u>1,816,717</u>	<u>33,369</u>	<u>1,030,104</u>
TOTAL LIABILITIES	<u>2,506,107</u>	<u>1,861,247</u>	<u>93,808</u>	<u>1,054,969</u>
<b>DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>				
Other Deferred Inflows	-	-	-	7,880
<b>NET POSITION</b>				
Net Investment in Capital Assets	5,532,578	5,883,050	3,905,144	(566,624)
Unrestricted Net Position	<u>5,385,634</u>	<u>2,921,618</u>	<u>3,124,191</u>	<u>(33,919)</u>
TOTAL NET POSITION	<u>10,918,212</u>	<u>8,804,668</u>	<u>7,029,335</u>	<u>(600,543)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 13,424,319</u>	<u>\$ 10,665,915</u>	<u>\$ 7,123,143</u>	<u>\$ 462,306</u>

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

<b>Govt Act</b>					
<b>Other Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>	<b>Total</b>		
			<b>2019</b>	<b>2018</b>	
\$ (34,642)	\$ (76,275)	\$ 157,786	\$ 81,511	\$ 561,618	
991,014	11,800,248	775,152	12,575,400	11,844,860	
				-	
73,502	1,044,391	-	1,044,391	1,026,058	
-	25,775	9,726	35,501	31,112	
-	557,237	122,226	679,463	488,145	
-	1,637	1,070	2,707	597	
<u>1,029,874</u>	<u>13,353,013</u>	<u>1,065,960</u>	<u>14,418,973</u>	<u>13,952,390</u>	
-	952,610	-	952,610	1,191,850	
-	46,339,054	5,699,526	52,038,580	51,233,149	
-	(27,939,120)	(4,467,714)	(32,406,834)	(31,117,203)	
-	19,352,544	1,231,812	20,584,356	21,307,796	
<u>\$ 1,029,874</u>	<u>\$ 32,705,557</u>	<u>\$ 2,297,772</u>	<u>\$ 35,003,329</u>	<u>\$ 35,260,186</u>	
\$ 20,624	\$ 672,732	\$ 61,986	\$ 734,718	\$ 684,543	
6,255	87,432	11,750	99,182	85,511	
-	7,950	-	7,950	8,273	
<u>26,879</u>	<u>768,114</u>	<u>73,736</u>	<u>841,850</u>	<u>778,327</u>	
-	2,957,957	-	2,957,957	398,358	
6,525	1,823,464	16,130	1,839,594	4,790,253	
6,525	4,781,421	16,130	4,797,551	5,188,611	
33,404	5,549,535	89,866	5,639,401	5,966,938	
-	7,880	-	7,880	6,550	
-	14,754,148	1,231,812	15,985,960	16,311,015	
996,470	12,393,994	976,094	13,370,088	12,975,683	
996,470	27,148,142	2,207,906	29,356,048	29,286,698	
<u>\$ 1,029,874</u>	<u>\$ 32,705,557</u>	<u>\$ 2,297,772</u>	<u>\$ 35,003,329</u>	<u>\$ 35,260,186</u>	

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**PROPRIETARY FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	Business-type Activities			
	Municipal Light & Power	Sewer	Water	Golf Course
	Fund	Fund	Fund	Fund
<b>Operating Revenues</b>				
Utility Charges	\$ 6,657,974	\$ 1,326,541	\$ 1,943,998	\$ -
Golf Course Charges	-	-	-	535,754
Internal Charges	-	-	-	-
Other Charges for Services	30,581	8,795	3,947	-
Total Revenues	<u>6,688,555</u>	<u>1,335,336</u>	<u>1,947,945</u>	<u>535,754</u>
<b>Operating Expenses</b>				
Commodity Charges	4,523,973	-	441,454	-
Golf Course Pro and Concessions	-	-	-	275,815
Golf Course Maintenance	-	-	-	350,222
Management Fees/Internal Charges	516,783	242,865	297,871	186,483
Collection, Transmission and Distribution	627,916	278,429	483,702	-
Production and Treatment	-	-	338,205	-
Claims and Premiums	-	-	-	-
Maintenance	-	511,629	-	-
Administration	136,315	30,345	22,371	-
Depreciation Expense	373,465	503,678	260,214	40,911
Other Capital Outlay	28,100	2,070	-	10,621
Total Expenditures	<u>6,206,552</u>	<u>1,569,016</u>	<u>1,843,817</u>	<u>864,052</u>
Operating Income (Loss)	<u>482,003</u>	<u>(233,680)</u>	<u>104,128</u>	<u>(328,298)</u>
<b>Other Income (Expense)</b>				
Intergovernmental Revenue	-	-	-	-
Investment Earnings	105,598	65,103	67,081	-
Other Revenue	406,877	27,301	30,183	10,902
Interest Expense	(88,558)	(62,977)	-	(47,687)
Gain (Loss) on Sale of Assets	-	-	-	-
Total Other Income (Expense)	<u>423,917</u>	<u>29,427</u>	<u>97,264</u>	<u>(36,785)</u>
Net Income (Loss) before Transfers	905,920	(204,253)	201,392	(365,083)
<b>Transfers</b>				
Transfers In/(Out)	<u>(315,000)</u>	<u>(195,000)</u>	<u>(510,250)</u>	<u>421,250</u>
Net Income (Loss)	590,920	(399,253)	(308,858)	56,167
<b>Contributed Capital</b>				
Plant Investment Fees	-	109,000	66,000	-
<b>Change in Net Position</b>	590,920	(290,253)	(242,858)	56,167
<b>Net Position, Beginning</b>	<u>10,327,292</u>	<u>9,094,921</u>	<u>7,272,193</u>	<u>(656,710)</u>
<b>Net Position, Ending</b>	<u>\$ 10,918,212</u>	<u>\$ 8,804,668</u>	<u>\$ 7,029,335</u>	<u>\$ (600,543)</u>

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

**Govt  
Activities**

Other Funds	Total Enterprise Funds	Internal Service Funds	Total	
			2019	2018
\$ 712,186	\$ 10,640,699	\$ -	\$ 10,640,699	\$ 10,487,676
-	535,754	-	535,754	500,097
-	-	1,086,005	1,086,005	1,122,402
-	43,323	9,487	52,810	37,257
<u>712,186</u>	<u>11,219,776</u>	<u>1,095,492</u>	<u>12,315,268</u>	<u>12,147,432</u>
-	4,965,427	-	4,965,427	4,995,892
-	275,815	-	275,815	268,393
-	350,222	-	350,222	344,145
293,248	1,537,250	130,581	1,667,831	1,638,291
390,428	1,780,475	-	1,780,475	1,682,123
-	338,205	-	338,205	341,647
5,661	5,661	67,095	72,756	85,493
-	511,629	602,867	1,114,496	1,027,946
-	189,031	9,954	198,985	207,348
-	1,178,268	352,757	1,531,025	1,598,355
-	40,791	-	40,791	25,397
<u>689,337</u>	<u>11,172,774</u>	<u>1,163,254</u>	<u>12,336,028</u>	<u>12,215,030</u>
<u>22,849</u>	<u>47,002</u>	<u>(67,762)</u>	<u>(20,760)</u>	<u>(67,598)</u>
-	-	16,517	16,517	-
22,334	260,116	20,425	280,541	231,697
12,183	487,446	14,231	501,677	455,096
-	(199,222)	-	(199,222)	(216,051)
-	-	39,597	39,597	6,945
<u>34,517</u>	<u>548,340</u>	<u>90,770</u>	<u>639,110</u>	<u>477,687</u>
57,366	595,342	23,008	618,350	410,089
<u>(125,000)</u>	<u>(724,000)</u>	<u>-</u>	<u>(724,000)</u>	<u>(271,842)</u>
<u>(67,634)</u>	<u>(128,658)</u>	<u>23,008</u>	<u>(105,650)</u>	<u>138,247</u>
-	175,000	-	175,000	180,700
<u>(67,634)</u>	<u>46,342</u>	<u>23,008</u>	<u>69,350</u>	<u>318,947</u>
<u>1,064,104</u>	<u>27,101,800</u>	<u>2,184,898</u>	<u>29,286,698</u>	<u>28,967,751</u>
<u>\$ 996,470</u>	<u>\$ 27,148,142</u>	<u>\$ 2,207,906</u>	<u>\$ 29,356,048</u>	<u>\$ 29,286,698</u>

CITY OF DELTA

**STATEMENT OF CASH FLOWS -  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019  
 With Comparative Totals for the Year Ended December 31, 2018**

	Business-type Activities			
	Municipal Light & Power Fund	Sewer Fund	Water Fund	Golf Course Fund
	Fund	Fund	Fund	Fund
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 6,675,144	\$ 1,335,075	\$ 1,948,877	\$ 535,881
Cash Received from Interfund Services Provided	-	-	-	-
Cash Paid to Suppliers	(4,897,648)	(621,020)	(991,972)	(314,949)
Cash Paid for Interfund Services	(516,783)	(242,865)	(297,871)	(186,483)
Cash Paid to Employees	(428,336)	(343,929)	(276,171)	(316,547)
Net Cash Provided by Operating Activities	<u>832,377</u>	<u>127,261</u>	<u>382,863</u>	<u>(282,098)</u>
Cash Flows From Capital and Related Financing Activities:				
Tap Fees Received	-	109,000	66,000	-
Debt Principal Payments	(188,527)	(111,191)	-	(98,669)
Grant Proceeds	-	-	-	-
Interest Payments	(88,673)	(63,125)	-	(47,747)
Proceeds of Capital Asset Sales	351,423	-	-	(2,749)
Acquisition of Capital Assets	(448,012)	(54,553)	(130,967)	2,749
Net Cash Flows Used by Capital and Related Financing Activities	<u>(373,789)</u>	<u>(119,869)</u>	<u>(64,967)</u>	<u>(146,416)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	(315,000)	(195,000)	(510,250)	421,250
Other Revenues (Expense)	406,877	27,301	30,183	10,902
Net Cash Provided (Used) by Noncapital Financing Activities	<u>91,877</u>	<u>(167,699)</u>	<u>(480,067)</u>	<u>432,152</u>
Cash Flows (Uses) From Investing Activities:				
Interest Received	105,598	65,103	67,081	-
Net Increase (Decrease) in Cash	656,063	(95,204)	(95,090)	3,638
Cash - Beginning	4,354,589	2,848,829	3,078,204	16,572
Cash - Ending	<u>\$ 5,010,652</u>	<u>\$ 2,753,625</u>	<u>\$ 2,983,114</u>	<u>\$ 20,210</u>
Cash	\$ 129,338	\$ (104,859)	\$ (86,322)	\$ 20,210
Investments	4,881,314	2,858,484	3,069,436	-
Total	<u>\$ 5,010,652</u>	<u>\$ 2,753,625</u>	<u>\$ 2,983,114</u>	<u>\$ 20,210</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ 482,003	\$ (233,680)	\$ 104,128	\$ (328,298)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	373,465	503,678	260,214	40,911
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Accounts Receivable	(14,704)	(1,153)	(949)	-
Other Receivables	1,293	892	1,881	(1,203)
Inventory	(54,371)	(121,255)	5,890	3,206
Prepaid Expenses	-	(190)	(300)	(550)
(Increase) Decrease in:				
Accounts Payable	42,855	(26,267)	9,123	(2,374)
Accrued Salaries and Benefits	3,108	4,094	904	2,887
Deposits and Escrow	-	-	-	-
Accrued Compensated Absences	(1,272)	1,142	1,972	1,993
Other Deferred Inflows	-	-	-	1,330
Total Adjustments	<u>350,374</u>	<u>360,941</u>	<u>278,735</u>	<u>46,200</u>
Net Cash Used for Operating Activities	<u>\$ 832,377</u>	<u>\$ 127,261</u>	<u>\$ 382,863</u>	<u>\$ (282,098)</u>

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

		Govt Activities				
Other Funds	Total Enterprise Funds	Internal Service Funds	Total			
			2019	2018		
\$ 711,333	\$ 11,206,310	\$ 1,562	\$ 11,207,872	\$ 11,011,509		
-	-	1,086,005	1,086,005	1,122,402		
(286,728)	(7,112,317)	(494,282)	(7,606,599)	(7,750,007)		
(293,248)	(1,537,250)	(130,581)	(1,667,831)	(1,638,291)		
(101,296)	(1,466,279)	(186,547)	(1,652,826)	(1,594,152)		
<u>30,061</u>	<u>1,090,464</u>	<u>276,157</u>	<u>1,366,621</u>	<u>1,151,461</u>		
-	175,000	-	175,000	180,700		
-	(398,387)	-	(398,387)	(408,605)		
-	-	16,517	16,517	-		
-	(199,545)	-	(199,545)	(217,115)		
-	348,674	196,397	545,071	6,945		
-	(630,783)	(682,279)	(1,313,062)	(426,439)		
-	(705,041)	(469,365)	(1,174,406)	(864,514)		
(125,000)	(724,000)	-	(724,000)	(271,842)		
12,183	487,446	14,231	501,677	455,096		
(112,817)	(236,554)	14,231	(222,323)	183,254		
22,334	260,116	20,425	280,541	231,697		
(60,422)	408,985	(158,552)	250,433	701,898		
1,016,794	11,314,988	1,091,490	12,406,478	11,704,580		
<u>\$ 956,372</u>	<u>\$ 11,723,973</u>	<u>\$ 932,938</u>	<u>\$ 12,656,911</u>	<u>\$ 12,406,478</u>		
\$ (34,642)	\$ (76,275)	\$ 157,786	\$ 81,511	\$ 561,618		
991,014	11,800,248	775,152	12,575,400	11,844,860		
<u>\$ 956,372</u>	<u>\$ 11,723,973</u>	<u>\$ 932,938</u>	<u>\$ 12,656,911</u>	<u>\$ 12,406,478</u>		
\$ 22,849	\$ 47,002	\$ (67,762)	\$ (20,760)	\$ (67,598)		
-	1,178,268	352,757	1,531,025	1,598,355		
(1,528)	(18,334)	-	(18,334)	(8,605)		
675	3,538	(7,925)	(4,387)	(9,394)		
-	(166,530)	(24,788)	(191,318)	(9,232)		
-	(1,040)	(1,069)	(2,109)	269		
5,859	29,196	20,980	50,176	(347,730)		
1,040	12,033	1,639	13,672	15,210		
-	-	-	-	(26)		
1,166	5,001	2,325	7,326	(24,292)		
-	1,330	-	1,330	4,504		
7,212	\$ 1,043,462	343,919	1,387,381	1,219,059		
<u>\$ 30,061</u>	<u>\$ 1,090,464</u>	<u>\$ 276,157</u>	<u>\$ 1,366,621</u>	<u>\$ 1,151,461</u>		

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

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**1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. THE FINANCIAL REPORTING ENTITY**

The City of Delta, Colorado (referred to hereafter as the City) is incorporated as a home-rule City under the laws of the State of Colorado with a Council-Manager form of government. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Blended Component Unit – The Delta Urban Renewal Authority is responsible for downtown beautification projects and is governed by a board comprised of the City’s elected council. The Authority had no transactions for the current or prior years.

**B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the primary government (the City). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Municipal Light & Power, Sewer, Water, Golf Course, Refuse and the City’s internal service funds are charges to customers for sales and services. The Utility Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service 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.

**CITY OF DELTA, COLORADO**

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

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1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

*Fund Financial Statements:* The fund financial statements provide information about the City's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The City does not have *fiduciary* fund types.

The City reports the following major governmental funds:

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

*Parks & Rec. Center Fund.* This fund accounts for the revenues and expenditures associated with recreational activities and to account for sales tax revenues collected.

*City-Wide Capital Improvement Fund.* This fund accounts for sales tax revenues used to improve streets and sidewalks, capital improvements, and to reduce debt incurred for city-wide improvements.

*Delta Urban Renewal Authority (DURA).* This Fund accounts for the revenues and expenses associated with the urban renewal activities.

The City reports the following major enterprise funds:

*Municipal Light & Power Fund.* This fund accounts for revenues and expenses associated with providing electric services to City residents.

*Sewer Fund.* This fund accounts for revenues and expenses associated with the collection and treatment of sewage within the City.

*Water Fund.* This fund accounts for revenues and expenses associated with providing water services to City residents.

*Golf Course Fund.* This fund accounts for revenues and expenses associated with the public golf course operated by the City.

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

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**1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)**

The City reports the following fund type:

*Internal Service Funds.* These funds account for equipment purchased and dental insurance coverage provided to other departments and employees on a cost-reimbursement basis.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING**

*Government-wide and Proprietary Fund Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchanges, include sales taxes, grants, entitlements, and donations. On an accrual basis, revenue from sales taxes are recognized in the period for which the taxes are collected by vendors. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**D. ASSETS, LIABILITIES, AND EQUITY**

*Deposits and investments.* The cash balances of substantially all funds are pooled for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at December 31, 2018 based on market prices. The individual funds' portions of the pool's fair value are presented as cash and cash equivalents or short-term investments. Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the average monthly balance of each participating fund.

*Cash and cash equivalents.* The City considers all cash on hand, demand deposits and short-term highly liquid investments with an original maturity of three months or less to be cash equivalents.

*Property taxes.* Property taxes are levied on December 22 and attach as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31, net of an estimated uncollectible portion.

For the fiscal year 2019, the City did not levy property taxes.

**CITY OF DELTA, COLORADO**

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

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1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

*Inventories.* Inventories of supplies in the proprietary fund types are stated at cost using the first-in/first-out (FIFO) method.

*Capital assets.* Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets are reported at estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Assets with a useful life of a year or greater with an acquisition value of at least \$1,000 are capitalized.

Enterprise Fund construction costs are increased by interest incurred on bonds during the construction period and reduced by earnings from investment of the unexpended bond proceeds.

Depreciation is calculated using the straight-line method over the estimated useful lives, and no depreciation is recorded in the year of acquisition or construction of such assets. Capital assets acquired by capital lease are depreciated over the estimated useful lives and are included in depreciation expense in the appropriate fund. The estimated useful lives are as follows:

Infrastructure	15 years
Equipment	5-15 years
Transmission and distributions lines and meters	20-40 years
Treatment and filtration plants	20-50 years
Buildings	35 years

*Long-term debt.* In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types the face amount of debt issued is reported as other financing sources.

**CITY OF DELTA, COLORADO**

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

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1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

*Compensated absences.* The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The City has a policy to award a one-time cash payment between \$250 and \$1,000 to employees who retire with fifteen or more continuous years of service with the City. For 2018, no employee would be eligible based on these criteria, so no liability has been accrued.

*Deferred Outflows of Resources.* In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element 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. The government only has deferred charges on refunding related items that qualify for reporting in this category.

*Deferred Inflows of Resources.* In addition to liabilities, the statement of net position 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. The government has only one type of item, which arises both under the full accrual and modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report unavailable revenues from recreation center fund prepaid funds plus the city wide capital fund deposits on account. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

*Net Position/Fund Balances.* In the government-wide financial statements and for the proprietary fund statements, net position are either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as “nonspendable” include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balance are reported as “restricted” when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the City Council, are reported as “committed” fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

**CITY OF DELTA, COLORADO**

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

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1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

All remaining fund balance in the General Fund or deficits in the other governmental funds are presented as unassigned.

*Net Position/Fund Equity Flow Assumptions.* Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

E. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing budgets:

1. Budgets are required by state law for all governmental and proprietary funds.
2. During September the proposed budget is submitted to the City Council for the fiscal year commencing the following January 1.
3. Prior to December 31, the budget is adopted, and appropriations are authorized by ordinance at the fund level for all funds. The legal level of budgetary control is at the individual fund level for all funds.
4. Budgets are adopted on a basis consistent with the accounting basis of all funds except for proprietary-type funds. In the proprietary funds, the City budgets for capital outlays, and bond principal and interest payments and does not budget for depreciation.
5. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class and in total by each fund. The total fund level constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to approval by ordinance from the City Council. Within the fund level control basis, management may transfer appropriations without Council approval. Budget amounts included in the budgetary comparison schedules are based on the final legally amended budget.

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

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**1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. BUDGETS AND BUDGETARY ACCOUNTING (continued)**

6. Appropriations lapse at the end of each year, and the City Council may adopt supplemental appropriations during the year. The City Council may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City Manager or the revenue estimates must be changed by the City Council when adopting supplemental appropriations.

Originally adopted budgeted and appropriated expenditures for the year ended December 31, 2019 are as follows:

	Original Budget	Supplemental Budget	Final Budget
General Fund	\$ 4,879,179	\$ -	\$ 4,879,179
Parks & Rec. Center Fund	3,077,902	-	3,077,902
City-Wide Capital Improvement Fund	2,690,090	-	2,690,090
Nonmajor Governmental Funds	1,911,227	-	1,911,227
Municipal Light & Power Fund	6,772,726	-	6,772,726
Sewer Fund	1,997,164	-	1,997,164
Water Fund	2,482,666	-	2,482,666
Golf Course Fund	985,746	-	985,746
Nonmajor Enterprise Fund	756,727	85,000	841,727
D.U.R.A.	263,644	-	263,644
Internal Service Funds	1,393,280	-	1,393,280
<b>Total Appropriations</b>	<b>\$ 27,210,351</b>	<b>\$ 85,000</b>	<b>\$ 27,295,351</b>

For the year ended December 31, 2019, the City expended amounts in excess of the amounts budgeted for the Delta Urban Renewal Authority Fund. Such over expenditure may be a violation of Colorado State Law and the City's charter.

**F. COMPARATIVE DATA**

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

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**2 - DEPOSITS AND INVESTMENTS**

**DEPOSITS**

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must at least be equal to 102% of the aggregate uninsured deposits.

**CUSTODIAL CREDIT RISK - DEPOSITS**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of December 31, 2019 none of the City's bank balances of \$17,618,996 were exposed to custodial credit risk as \$250,000 was insured and \$17,368,996 was collateralized by securities pledged by financial institutions. Book balances of the City's deposits were \$17,476,354. The City also has \$3,600 of cash on hand included as cash and cash equivalents for financial statement presentation.

**INVESTMENTS**

The following are the major categories of assets measured at fair value on a recurring basis during the year ended December 31, 2019 using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3). The City's local government pool investments are not subject to categorization:

<u>Description</u>	<u>Weighted Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
Colotrust Plus +	N/A	\$ 12,260,718	AAAm
Csafe	N/A	3,984,787	AAAm
<b>Total Investments</b>		<u>\$ 16,245,505</u>	

During the year ended December 31, 2019, the City invested funds in CSAFE & Colotrust. As investments pools, they operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. The pools invest in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. The pools are rated AAAM by the Standard and Poor's Corporation. The investment pools are valued at the amortized cost (CSFAFE) or net asset value (Colotrust) pursuant to Rule 2A-7 under the Investment Company Act of 1940, which approximates the fair value.

*Interest rate risk.* The City does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF DELTA, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2019

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2 - DEPOSITS AND INVESTMENTS (continued)

*Credit risk.* Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest including obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; local government investment pools; written repurchase agreements collateralized by certain authorized securities; certain money market funds; and guaranteed investment contracts.

The City's general investment policy is to apply the prudent-person rule: Prudence and protection of City funds are the primary criteria. All investments and bid requests for investments are predicated on liquidity, yield, safety and interest of the local economy. As of December 31, 2019, the City's investment in Colotrust Plus and Csafe were rated AAAM by Standard & Poor's.

*Concentration of credit risk.* Investments must be in accordance with Colorado statutes and no more than 80% of the total portfolio may be invested in any single type of investment. Investments in any one financial institution may not exceed 30% of the City's portfolio unless the investments are obligations of the United States Government.

A reconciliation of cash and investment balances is as follows:

Cash & cash equivalents	\$ 1,171,143
Investments	16,235,713
Temporarily restricted investments	9,793
Permanently restricted cash	59,705
<b>Total</b>	<u>\$ 17,476,354</u>

Petty Cash	\$ 3,600
Cash Deposits	1,227,249
Government Pools	16,245,505
	<u>\$ 17,476,354</u>

<u>Description</u>	<u>Fair Value</u>
Cash & cash equivalents	\$ 1,171,143
Investments	16,235,713
Restricted governmental pools(police seizure)	9,793
Permanently restricted deposit (perpetual care deposits)	59,705
<b>Total</b>	<u>\$ 17,476,354</u>

These balances are allocated in the financial statements as follows:

Government-wide cash	\$ 1,171,143
Government-wide investments	16,235,713
Government-wide restricted investments	9,793
Government-wide permanently restricted cash	59,705
	<u>\$ 17,476,354</u>

**CITY OF DELTA, COLORADO**

## NOTES TO FINANCIAL STATEMENTS

December 31, 2019

3. - CAPITAL ASSETS

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

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Construction in Progress	\$ 82,606	\$ -	\$ -	\$ 82,606
Land	3,709,250	-	175,000	3,534,250
Total Capital assets not being depreciated	<u>3,791,856</u>	<u>-</u>	<u>175,000</u>	<u>3,616,856</u>
Capital assets being depreciated:				
Land improvements	8,470,841	118,430	-	8,589,271
Infrastructure - road network	75,888,564	642,644	-	76,531,208
Buildings	6,899,947	517,572	-	7,417,519
Vehicles	2,359,627	211,253	52,428	2,518,452
Equipment	3,709,544	396,913	236,486	3,869,971
Total capital assets being depreciated	<u>97,328,523</u>	<u>1,886,812</u>	<u>288,914</u>	<u>98,926,421</u>
Less accumulated depreciation for:				
Land improvements	5,261,831	365,459	-	5,627,290
Infrastructure - road network	42,633,838	3,293,712	-	45,927,550
Buildings	4,954,074	169,567	-	5,123,641
Vehicles	1,873,432	177,561	52,428	1,998,565
Equipment	3,031,224	262,463	236,486	3,057,201
Total accumulated depreciation	<u>57,754,399</u>	<u>4,268,762</u>	<u>288,914</u>	<u>61,734,247</u>
Total capital assets being depreciated, net	<u>39,574,124</u>	<u>(2,381,950)</u>	<u>-</u>	<u>37,192,174</u>
<b>Governmental activity capital assets, net</b>	<u>\$ 43,365,980</u>	<u>\$ (2,381,950)</u>	<u>\$ 175,000</u>	<u>\$ 40,809,030</u>

**CITY OF DELTA, COLORADO**

## NOTES TO FINANCIAL STATEMENTS

December 31, 2019

3 - CAPITAL ASSETS (continued)

	<u>Business-Type Activities</u>			Ending Balances
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	
Capital assets not being depreciated:				
Land and Easements	\$ 952,610	\$ -	\$ -	\$ 952,610
Construction in Progress	239,240	-	239,240	-
Total Capital assets not being depreciated	<u>1,191,850</u>	<u>-</u>	<u>239,240</u>	<u>952,610</u>
Capital assets being depreciated:				
Land improvements	3,625,777	-	-	3,625,777
Water rights and storage reservoirs	607,491	-	-	607,491
Treatment and generation facilities	9,520,705	239,240	-	9,759,945
Collection, transmission and distribution system	29,837,180	267,161	-	30,104,341
Buildings and improvements	1,154,714	-	-	1,154,714
Street lighting & Fiber Optic system	535,499	-	-	535,499
Equipment	544,849	14,950	8,511	551,288
Total capital assets being depreciated	<u>45,826,215</u>	<u>521,351</u>	<u>8,511</u>	<u>46,339,055</u>
Less accumulated depreciation for:				
Land improvements	3,625,778	-	-	3,625,778
Water rights and storage reservoirs	128,218	5,719	-	133,937
Treatment and generation facilities	6,584,833	245,903	-	6,830,736
Collection, transmission and distribution system	15,039,525	824,250	-	15,863,775
Buildings and improvements	804,397	48,457	-	852,854
Street lighting system	113,899	23,707	-	137,606
Equipment	472,710	30,236	8,511	494,435
Total accumulated depreciation	<u>26,769,360</u>	<u>1,178,272</u>	<u>8,511</u>	<u>27,939,121</u>
Total capital assets being depreciated, net	<u>19,056,855</u>	<u>(656,921)</u>	<u>-</u>	<u>18,399,934</u>
<b>Business-Type activity capital assets, net</b>	<u>\$ 20,248,705</u>	<u>\$ (656,921)</u>	<u>\$ 239,240</u>	<u>\$ 19,352,544</u>

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

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**3 - CAPITAL ASSETS (continued)**

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

<b>Governmental Activities</b>	
General government	\$ 78,998
Public safety	23,011
Public works, including depreciation of general infrastructure assets	3,318,892
Parks and recreation	495,105
Capital assets held by the City's internal service fund are charged to various functions based on their usage of the assets	<u>352,756</u>
<b>Total Depreciation expense</b>	
<b>Governmental activities</b>	<u>\$ 4,268,762</u>
<b>Business-Type Activities</b>	
Municipal Light and Power	\$ 373,467
Golf Course	40,911
Sewer	503,678
Water	<u>260,216</u>
<b>Total Depreciation expense</b>	
<b>Business-Type activities</b>	<u>\$ 1,178,272</u>

**4 - EMPLOYEE RETIREMENT PLANS**

The City provides pension benefits for all of its full time employees in two separate defined contribution plans. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

All non-police employees are eligible to participate in the plan that is administered by the City six months from the date of employment, police officers participate from the date of hire. City ordinance requires that the City contribute 5% of the non-police employee's base salary and 10% of the police officer's base salary. Non-police employees are required to contribute 3% of their base salary and may elect to contribute up to 10%. Police officers are required to contribute 8% of their base salary. City contributions for all employees become 20% vested after the first year, increasing an additional 20% each year until the employee becomes fully vested after 5 years. Any nonvested City contributions forfeited by an employee who leaves the City's employment are remitted to the City. The City's policy is to use these forfeited contributions to pay the expenses of administering the plan or reduce future contributions to the plan.

The City's total payroll for fiscal year 2019 was \$5,571,506. The City's contributions were calculated using the base salary of \$4,526,520. The City made the required contributions of \$284,575 and the employees made required and elective contribution of \$280,232 or \$564,807 in total.

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

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**5 - COMMITMENTS**

**Raw Water Purchase**

The City has entered into a contract with the Tri-County Conservancy District to purchase water from the Dallas Creek Project as follows:

<u>Annual Purchase and Operation and Maintenance Commitment</u>	<u>Calendar Years</u>	<u>Annual Payments</u>
Block One, Two and Three 3,700 acre feet annually	2020-2049	\$ 313,070

The purchase price per acre foot shall not exceed the average cost of all municipal and industrial water for which the Tri-County Water Conservancy District is obligated to pay the United States for such water which is limited to \$38,000,000. The purchase price is currently \$77.61 per acre foot; with potential cost adjustments at no longer than five year intervals. Such annual payments are subject to adjustment as a result of rate adjustments. In addition, the City pays the District a proportionate amount of the operations, maintenance and replacement costs of the project attributable to municipal and industrial uses which were set at \$7.00 per acre foot subject to annual adjustment.

**Electricity Purchase**

The City has entered into a contract with the Western Area Power Administration (WAPA) through the year 2024 to purchase electrical energy at quantities and rates mutually agreed upon on an annual basis between WAPA and the City.

The City has a contract with the Municipal Energy Agency of Nebraska (MEAN) which shall continue in effect for a period of 25 years to purchase electrical energy needed in excess of the amounts contracted with WAPA as follows:

	<u>Summer Season (June/September)</u>	<u>Winter Season (October/December)</u>
Base Energy	0.02513	0.02676
Incremental Energy	0.04377	0.04662

During 2019, the City purchased 64,595,558 kilowatt hours for \$4,523,973.

**CITY OF DELTA, COLORADO**

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

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6 - LONG-TERM DEBT

A. CITY OF DELTA SALES AND USE TAX REVENUE BONDS PAYABLE FROM GOVERNMENTAL ACTIVITIES:

In November 2019, the City issued 16,230,000 Sales & Use Tax Revenue Refunding Bonds Series 2019. The bonds were issued by the City to fully refund the Series 2020 Sales & Use Tax Revenue Bonds. These Bonds yield interest at 1.26% to 3.215% payable on June 1 and December 1 through 2039. This refunding created a net present value savings of \$2,460,912 for the City. The City purchased a surety bond in lieu of a cash bond reserve.

Total Outstanding Sales and Use Tax Revenue Refunding Bonds as of December 31<sup>st</sup>, 2019 = \$16,230,000

B. CITY OF DELTA SEWER REVENUE REFUNDING BANK LOAN, GOLF COURSE AND MUNICIPAL LIGHT AND POWER NOTE PAYBLE FROM BUSINESS-TYPE ACTIVITIES:

\$2,509,154 Sewer Revenue Refunding Bank Loan of May 18, 2012 bearing interest of 3.43% until May 18<sup>th</sup>, 2032 due in monthly principal and interest installments of \$14,526.

Total Outstanding Sewer Revenue Refunding Bank Loan as of December 31<sup>st</sup>, 2019 = \$1,755,361

\$7,000,000 Golf Course and Municipal Light and Power Note Payable of August 15, 2005 payable in variable monthly installments, including interest at 4.505% per annum; matures August 15, 2020, with a balloon payment of approximately \$2,649,560.

Total Outstanding Golf Course and M.L&P. Note Payable as of December 31<sup>st</sup>, 2019 = \$2,843,035

Total payable from business-type activities:     \$ 4,598,396

C. PRINCIPAL AND INTEREST PAYMENT REQUIREMENTS

Principal and interest payment requirements on the City's General Obligation, Revenue Bonds and Notes payable from governmental and business-type activities are as follows:

<u>Year</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 495,000	\$ 724,751	\$ 2,957,957	\$ 142,238
2021	525,000	705,050	119,153	55,163
2022	550,000	677,800	123,363	50,953
2023	575,000	650,300	127,723	46,594
2024	610,000	621,550	132,113	42,203
2025-2029	3,535,000	2,618,500	734,565	137,015
2030-2034	4,475,000	1,670,850	403,522	17,790
2035-2039	5,465,000	672,800		
	<u>\$ 16,230,000</u>	<u>\$ 8,341,601</u>	<u>\$ 4,598,396</u>	<u>\$ 491,956</u>

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

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**6 - LONG-TERM DEBT (continued)**

**D. CHANGES IN LONG-TERM LIABILITIES**

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

	<u>Governmental Activities</u>			Balance 12-31-2019	Due within one year	Interest Expense
	Balance 12-31-2018	Additions	Reductions			
	2010 Sales & Use Tax Revenue Bonds	\$20,200,000	\$ -			
2019 Sales & Use Tax Revenue Bonds	-	16,230,000	-	16,230,000	495,000	724,751
Bond Premiums	73,670	-	73,670	-	-	-
Bond Premiums	-	2,628,578	-	2,628,578	-	-
Compensated Absences	437,368	7,233	-	444,601	-	-
Total	<u>\$20,711,038</u>	<u>\$ 18,865,811</u>	<u>\$20,273,670</u>	<u>\$19,303,179</u>	<u>\$ 495,000</u>	<u>\$ 724,751</u>

	<u>Business-Type Activities</u>			Balance 12-31-2019	Due within one year	Interest Expense
	Balance 12-31-2018	Additions	Reductions			
	MEAN Litigation Note Payable	\$ 5,283	\$ -			
2012 Sewer Revenue Bank Loan	1,866,551	-	111,190	1,755,361	114,922	59,394
Golf Course & M.L.&P. Note Payable	3,124,948	-	281,913	2,843,035	2,843,035	82,844
Compensated Absences	178,024	5,002	-	183,026	-	-
Total	<u>\$ 5,174,806</u>	<u>\$ 5,002</u>	<u>\$ 398,386</u>	<u>\$ 4,781,422</u>	<u>\$2,957,957</u>	<u>\$ 142,238</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for those funds are included as part of the above totals for governmental activities. At year end, \$16,130 of accrued costs of compensated absences are included in the above amounts. Also, for the governmental activities, accrued costs of employees' future compensated absences are generally liquidated by the general fund and the parks and recreation center fund.

**E. INTEREST EXPENSE**

Interest incurred and expensed in the major enterprise funds was as follows:

Interest Expense	<u>Municipal</u>	<u>Golf</u>	<u>Sewer</u>
	<u>Light &amp; Power</u>	<u>Course</u>	<u>Sewer</u>
	\$ 35,572	\$ 47,272	\$ 59,394

**CITY OF DELTA, COLORADO**

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

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6 - LONG-TERM DEBT (continued)

F. RATE MAINTENANCE

The loan agreement dated August 15, 2005 and Ordinance No. 5, 2005, dated July 5, 2005, for the Municipal Light & Power Fund (MLP) requires the City to establish, maintain, enforce, and collect rates, fees, and charges for services furnished by, or the use of, the MLP system to create Net Revenue (Gross Revenue after deducting Operation and Maintenance expenses) in an amount equal to not less than 100% of the amount necessary to pay when due the principal of and interest on the loan coming due during such calendar year. In the event that the Net Revenue at any time is not sufficient to make such payments, the City shall promptly increase such rates, fees, and charges to an extent which will ensure the payments and accumulations required by Ordinance No. 5, 2005.

G. INTEREST RATE SWAP

*Objective of the interest rate swap.* As a means to lower its borrowing costs, when compared against fixed-rate bonds or loans at the time of issuance in August 2005, the City entered into an interest rate swap in connection with its note, originally issued for \$7,000,000. The intention of the swap was to effectively change the City's variable interest rate on the note to a synthetic fixed rate of 4.505 percent.

*Terms.* The note and the related swap agreement mature on August 17, 2020, and the notional amount was \$7,000,000. The swap was entered at the same time the note was issued (August 15, 2005). Under the swap, the City pays the counterparty a fixed payment of 4.505 percent and receives a variable payment computed as 61 percent of the London Interbank Offered Rate (LIBOR) plus 61 percent of the 2 percent margin under the fixed rate.

*Fair value.* At December 31, 2019 the swap had a fair value of \$(40,121) as represented by the counterparty.

*Termination risk.* The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The City may terminate all or any part of the agreement by providing two business days prior notice to the counterparty and provide evidence of its ability to pay any termination amount that the City owes.

*Associated debt.* Debt service requirements are included in the business activities principal and interest payment requirements of note 6.C.

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

**7 - INTERFUND ACTIVITY**

**Interfund Transfers**

Interfund transfers to supplement the expenditures/expenses of other funds were as follows:

<b>Transfers Out</b>	<b>Transfers In</b>			<b>Total</b>
	<b>General Fund</b>	<b>Golf Fund</b>	<b>Nonmajor Governmental Fund</b>	
ML&P Fund	\$ 315,000	\$ -	\$ -	\$ 315,000
Sewer Fund	35,000	160,000	-	195,000
Water Fund	150,000	136,250	224,000	510,250
Nonmajor Enterprise Fund	-	125,000	-	125,000
	<u>\$ 500,000</u>	<u>\$ 421,250</u>	<u>\$ 224,000</u>	<u>\$ 1,145,250</u>

**Interfund Charges**

The following amounts represent internal charges for services rendered to the other funds:

<b>Revenue/(Expense)</b>	<b>Franchise Fee Equivalent</b>	<b>Administrative/Management Fees</b>	<b>Internal Service Fund Charges</b>	<b>Net Charges</b>
General Fund	\$ 530,750	\$ 818,560	\$ (308,317)	\$ 1,040,993
Parks and Recreation Fund	-	(224,076)	(112,603)	(336,679)
C.W.C.I. Fund	-	(73,972)	-	(73,972)
Electric Fund	(332,239)	(97,129)	(87,415)	(516,783)
Sewer Fund	(65,892)	(102,483)	(74,490)	(242,865)
Water Fund	(97,151)	(96,611)	(104,109)	(297,871)
Refuse Fund	(35,468)	(89,445)	(168,335)	(293,248)
Golf Course Fund	-	(72,518)	(113,965)	(186,483)
Internal Service Fund	-	(62,326)	969,234	906,908
Net Charges	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**8 - JOINTLY GOVERNED ORGANIZATION**

**Project 7 Water Authority**

In 1977, the City along with the City of Montrose, the Town of Olathe, the Tri-County Water Conservancy District and the Menoken Water District entered into a contract to create a separate governmental entity, the Project 7 Water Authority, which owns and operates a water treatment facility. The Authority is governed by a board consisting of appointed representatives from each of the contracting entities. The Authority produces treated water that is purchased by the 5 contracting parties and one other water district that operate water distribution systems. The City is obligated by contract to purchase the treatment of 500 million gallons of water annually from the Authority so long as the Authority has any unpaid debt, other than from operating expenses. The rate for 2019 was 90 cents per thousand gallons which results in a minimum annual purchase commitment of \$425,000, but the rate charged may be changed by action of the Authority.

**CITY OF DELTA, COLORADO**

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

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8 - JOINTLY GOVERNED ORGANIZATION (continued)

Project 7 Water Authority (continued)

During 2019 the City was allowed to purchase treatment of 491 million gallons for \$441,454 since the other entities in the joint venture purchased amounts less of their commitments. At December 31, 2019, the City owed the Authority \$19,884. Separate financial statements of Project 7 Water Authority are available from the Authority.

9 - RISK MANAGEMENT

Participation in Public Entity Risk Pool

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a participant in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA operates as a common risk management and insurance program for 238 members participating in the Property & Casualty Pool. The City pays an annual premium to CIRSA for its general insurance coverage. The agreement for formation of CIRSA provides that CIRSA will be financed by member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. The City continues to carry commercial insurance for worker's compensation, employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Employee Dental Benefit Plan

The City adopted an employee dental benefit plan whereby the City self-insures only \$1,000 per individual and dependents of covered dental claims and \$1,000 of orthodontic claims for dependents based on approximately 80 employees and 125 dependents covered in 2019. The City estimates and records incurred but not reported medical claims liability in the Employee's Dental Benefit Fund based on historical experience of outstanding medical claims. Changes in the reported medical claims liability since January 1, 2018 resulted in the following:

Year	<u>Dental Claims</u>			
	<u>Beginning Balance</u>	<u>Claims &amp; Changes in Estimates</u>	<u>Claim Balance Payments</u>	<u>Ending Balance</u>
2018	\$ -	\$ 67,785	\$ 67,785	\$ -
2019	-	49,115	49,115	-

Unemployment Benefit Plan

The City does not purchase unemployment insurance and self-insures for unemployment benefits payable to former employees. The City records incurred but not reported unemployment claims liability in the funds based on actual experience of outstanding unemployment claims. Changes in the reported unemployment claims liability since January 1, 2018 resulted from the following:

Year	<u>Unemployment Claims</u>			
	<u>Beginning Balance</u>	<u>Claims &amp; Changes in Estimates</u>	<u>Claim Balance Payments</u>	<u>Ending Balance</u>
2018	\$ -	\$ 9,014	\$ 9,014	\$ -
2019	-	17,880	17,880	-

**CITY OF DELTA, COLORADO**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

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**10 - TAX, SPENDING AND DEBT LIMITATIONS**

The State Constitution, Article X, Section 20, has several limitations regarding revenue raising, spending abilities, and other specific requirements of state and local governments. The Section is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the Section. However, the City has made certain interpretations of the Section's language in order to determine its compliance. The emergency reserves required under the Section have been funded in the General Fund.

**11 - CONTINGENT LIABILITIES**

Under the terms of federal and state grants, costs may be questioned as not being appropriate expenses that could lead to reimbursement to the grantor agencies. City management is not aware of any such expenses that would not be allowed. The City has received notices of claims for damages from one party. The City attorney is not able to make any conclusions as to material loss contingencies not covered by insurance resulting from any potential litigation. No adjustments to the financial statements have been made for such contingencies.

**12 - FUND BALANCE DETAIL**

	General Fund	Parks & Recreation Center Fund	DURA	City-wide Capital Improvement Fund	Other Governmental Fund
Fund Balances:					
Nonspendable:					
Swim Trust	\$ -	\$ 6,045	\$ -	\$ -	\$ -
Prepays & Inventory	534	5,992	-	-	-
Perpetual Care	-	-	-	-	53,660
Restricted for:					
Emergency	302,900	-	-	-	-
Conservation Trust Fund	-	-	-	-	317,788
Parks & Recreation Center	34,849	467,796	-	-	-
Refund	93,789	-	-	-	-
C.W.C.I. Fund	-	-	-	2,336,928	-
DURA	-	-	301	-	-
Police Seizure	15,483	-	-	-	-
Assigned for:					
Subsequent year's expenditures	586,949	-	-	-	-
Unassigned:					
General Fund	756,284	-	-	-	-
	<u>\$1,790,788</u>	<u>\$ 479,833</u>	<u>\$ 301</u>	<u>\$ 2,336,928</u>	<u>\$ 371,448</u>

**13 - DEFICIT NET POSITION**

The Golf Course Fund has an overall net position deficit of \$(600,543), a deficit net investment in capital assets of \$(566,624) and an unrestricted net position deficit of \$(33,919) as of December 31, 2019.

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF DELTA, COLORADO

**BUDGETARY COMPARISON SCHEDULE**

**General Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019		Variance With Final Budget	2018
	Original/ Final Budget	Actual		Actual
<b>REVENUES</b>				
<b>Taxes</b>				
Sales and Use Taxes	\$ 1,957,582	\$ 2,076,148	\$ 118,566	\$ 1,940,625
Franchise and In Lieu of Taxes	641,265	675,483	34,218	672,879
Other Taxes	18,000	18,940	940	18,697
Total Tax Revenue	<u>2,616,847</u>	<u>2,770,571</u>	<u>153,724</u>	<u>2,632,201</u>
<b>Intergovernmental Revenues</b>				
Cigarette Taxes	21,000	17,649	(3,351)	18,803
Highway Users	314,465	402,897	88,432	399,565
Road and Bridge	40,000	38,760	(1,240)	39,556
Clerk/Motor Vehicle Fees	32,000	39,260	7,260	37,528
Mineral Lease	30,000	31,810	1,810	23,200
Severance Tax	25,000	52,099	27,099	28,246
State Grants	79,275	139,214	59,939	64,570
Other Intergovernmental	50,000	50,000	-	-
Total Intergovernmental Revenue	<u>591,740</u>	<u>771,689</u>	<u>179,949</u>	<u>611,468</u>
<b>Licenses and Permits</b>				
Liquor Licenses	4,300	4,359	59	4,790
Building Permits	50,000	85,983	35,983	54,918
Annexation/Other P&Z Fees	28,200	45,421	17,221	35,554
Animal Licenses	1,200	3,675	2,475	1,240
Other Licenses	26,500	35,680	9,180	27,190
Total Licenses and Permits	<u>110,200</u>	<u>175,118</u>	<u>64,918</u>	<u>123,692</u>
<b>Fines and Forfeits</b>				
	<u>40,000</u>	<u>25,824</u>	<u>(14,176)</u>	<u>39,875</u>
<b>Internal Charges</b>				
Administrative/Management Fees	<u>818,560</u>	<u>818,560</u>	<u>-</u>	<u>801,613</u>
<b>Charges for Services</b>				
Utility Charges	4,800	4,800	-	4,800
Sales of Goods	5,000	8,675	3,675	6,720
Other Charges for Services	2,100	11,097	8,997	18,723
Total Charges for Services	<u>11,900</u>	<u>24,572</u>	<u>12,672</u>	<u>30,243</u>
<b>Investment Earnings</b>				
	<u>16,685</u>	<u>29,159</u>	<u>12,474</u>	<u>22,633</u>
<b>Other Revenues</b>				
Donations	-	14,495	14,495	4,465
Insurance Proceeds/Recoveries	-	4,120	4,120	-
Sale of Capital Assets	-	2,000	2,000	-
Other Miscellaneous Revenue	25,000	62,886	37,886	40,242
Total Other Revenue	<u>25,000</u>	<u>83,501</u>	<u>58,501</u>	<u>44,707</u>
TOTAL REVENUES	<u>4,230,932</u>	<u>4,698,994</u>	<u>468,062</u>	<u>4,306,432</u>

See accompanying Independent Auditors' Report.

(Continued)

CITY OF DELTA, COLORADO

**BUDGETARY COMPARISON SCHEDULE**

**General Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019		Variance With Final Budget	2018
	Original/ Final Budget	Actual		Actual
(Continued)				
<b>EXPENDITURES</b>				
<b>General Government</b>				
Mayor and Council/Board	66,376	72,437	(6,061)	80,426
Administrator/Manager	259,011	271,305	(12,294)	249,961
Clerk	77,249	87,077	(9,828)	75,952
Treasurer/Finance	498,055	492,642	5,413	460,402
Attorney	20,000	43,473	(23,473)	55,178
Economic Development	70,000	74,108	4,108	-
Other General Government	212,057	208,076	3,981	193,874
<b>Total General Government</b>	<b>1,202,748</b>	<b>1,249,118</b>	<b>(38,154)</b>	<b>1,115,793</b>
<b>Public Safety</b>				
Police	2,077,084	2,090,201	(13,117)	1,820,908
Animal Control	31,250	31,862	(612)	30,673
Municipal Court	56,446	60,075	(3,629)	48,421
Code Enforcement	72,780	77,546	(4,766)	70,419
<b>Total Public Safety</b>	<b>2,237,560</b>	<b>2,259,684</b>	<b>(22,124)</b>	<b>1,970,421</b>
<b>Public Works</b>				
Community Development	292,092	183,500	108,592	202,453
Planning and Zoning	72,400	101,202	(28,802)	114,271
Engineering	96,092	94,020	2,072	88,220
Streets	440,425	449,730	(9,305)	437,654
<b>Total Public Works/Comm Devel</b>	<b>901,009</b>	<b>828,452</b>	<b>72,557</b>	<b>842,598</b>
<b>Parks, Recreation and Other</b>				
Culture	12,221	12,569	(348)	10,396
Cemetery	144,727	119,960	24,767	120,897
<b>Total Parks, Recreation &amp; Other</b>	<b>156,948</b>	<b>132,529</b>	<b>24,419</b>	<b>131,293</b>
<b>Internal Charges</b>				
Internal Service Activity	309,675	308,317	1,358	354,861
<b>Capital Outlay</b>				
General Government Capital Outlay	23,000	21,420	1,580	-
Public Safety Capital Outlay	48,239	63,360	(15,121)	17,018
Public Works Capital Outlay	-	2,599	(2,599)	2,399
Parks, Recreation and Other Capital Outlay	-	1,604	(1,604)	-
<b>Total Capital Outlay</b>	<b>71,239</b>	<b>88,983</b>	<b>(17,744)</b>	<b>19,417</b>
<b>Contingency Reserve</b>				
TOTAL EXPENDITURES	4,879,179	4,867,083	20,312	4,434,383
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	<b>(648,247)</b>	<b>(168,089)</b>	<b>488,374</b>	<b>(127,951)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	500,000	500,000	-	230,000
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<b>\$ (148,247)</b>	<b>331,911</b>	<b>\$ 488,374</b>	<b>102,049</b>
<b>FUND BALANCE, BEGINNING</b>		<b>1,458,877</b>		<b>1,356,828</b>
<b>FUND BALANCE, ENDING</b>		<b>\$ 1,790,788</b>		<b>\$ 1,458,877</b>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**BUDGETARY COMPARISON SCHEDULE**

**Parks and Recreation Center Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019			2018 Actual
	Original & Final Budget	Actual	Variance With Final Budget	
<b>REVENUES</b>				
<b>Taxes</b>				
Sales and Use Taxes	\$ 1,957,582	\$ 2,076,159	\$ 118,577	\$ 1,940,634
<b>Intergovernmental Revenues</b>				
State Grants	246,206	2,915	(243,291)	3,663
Other Intergovernmental	-	11,409	11,409	16,198
Total Intergovernmental Revenue	246,206	14,324	(231,882)	19,861
<b>Charges for Services</b>				
Recreation/Comm Ctr Charges	696,450	748,186	51,736	726,072
Rents	7,700	8,866	1,166	7,630
Total Charges for Services	704,150	757,052	52,902	733,702
<b>Investment Earnings</b>	4,800	7,156	2,356	4,649
<b>Other Revenues</b>				
Donations	-	-	-	1,723
Other Miscellaneous Revenue	-	4,321	4,321	8,095
Total Other Revenue	-	4,321	4,321	9,818
<b>TOTAL REVENUES</b>	<b>2,912,738</b>	<b>2,859,012</b>	<b>(53,726)</b>	<b>2,708,664</b>
<b>EXPENDITURES</b>				
<b>Parks, Recreation and Other</b>				
Parks	633,505	608,272	25,233	577,500
Recreation	1,084,314	1,126,631	(42,317)	1,004,858
Parks and Recreation Administration	737,360	762,779	(25,419)	713,043
Other Parks and Recreation	13,353	12,271	1,082	11,282
Total Parks, Recreation & Other	2,468,532	2,509,953	(41,421)	2,306,683
<b>Internal Charges</b>				
Administrative/Management Fees	224,076	224,076	-	222,184
Internal Service Activity	112,088	112,603	(515)	113,048
Total Internal Charges	336,164	336,679	(515)	335,232
<b>Capital Outlay</b>				
Parks, Recreation and Other Capital Outlay	273,206	24,401	248,805	4,217
<b>TOTAL EXPENDITURES</b>	<b>3,077,902</b>	<b>2,871,033</b>	<b>206,869</b>	<b>2,646,132</b>
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<b>\$ (165,164)</b>	<b>(12,021)</b>	<b>\$ 153,143</b>	<b>62,532</b>
<b>FUND BALANCE, BEGINNING</b>		<b>491,854</b>		<b>429,322</b>
<b>FUND BALANCE, ENDING</b>		<b>\$ 479,833</b>		<b>\$ 491,854</b>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**BUDGETARY COMPARISON SCHEDULE**

**City-Wide Capital Improvement Fund**

FOR THE YEAR ENDED DECEMBER 31, 2019

With Comparative Totals for the Year Ended December 31, 2018

	2019		Variance With Final Budget	2018
	Original & Final Budget	Actual		Actual
<b>REVENUES</b>				
<b>Taxes</b>				
Sales and Use Taxes	\$ 2,586,649	\$ 2,827,617	\$ 240,968	\$ 2,593,413
<b>Intergovernmental Revenues</b>				
Federal Grants	389,972	384,013	(5,959)	402,849
<b>Investment Earnings</b>				
	46,200	73,032	26,832	47,976
<b>Other Revenues</b>				
Sale of Capital Assets	-	184,078	184,078	5
Other Miscellaneous Revenue	5,000	1,507	(3,493)	-
Total Other Revenue	5,000	185,585	180,585	5
TOTAL REVENUES	3,027,821	3,470,247	442,426	3,044,243
<b>EXPENDITURES</b>				
<b>Public Works</b>				
Public Works Administration	-	221,037	221,037	-
<b>Internal Charges</b>				
Administrative/Management Fees	73,972	73,972	-	71,925
<b>Capital Outlay</b>				
Public Works Capital Outlay	6,000	1,345	4,655	-
Other Capital Outlay	1,286,166	684,537	601,629	656,351
Total Capital Outlay	1,292,166	685,882	606,284	656,351
<b>Debt Service</b>				
Principal	605,000	605,000	-	590,000
Interest	1,164,368	1,164,368	-	1,187,855
Fees	-	72	(72)	-
Total Debt Service	1,769,368	1,769,440	(72)	1,777,855
TOTAL EXPENDITURES	3,135,506	2,750,331	827,249	2,506,131
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<b>\$ (107,685)</b>	<b>719,916</b>	<b>\$ 1,269,675</b>	<b>538,112</b>
<b>Budget to GAAP Basis Reconciliation</b>				
Debt Proceeds		18,858,578		-
Escrow Payments		(20,419,373)		-
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>		<b>(840,879)</b>		<b>538,112</b>
<b>FUND BALANCE, BEGINNING</b>		<b>3,177,807</b>		<b>2,639,695</b>
<b>FUND BALANCE, ENDING</b>		<b>\$ 2,336,928</b>		<b>\$ 3,177,807</b>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**BUDGETARY COMPARISON SCHEDULE**

**Delta Urban Renewal Authority Fund**

FOR THE YEAR ENDED DECEMBER 31, 2019

With Comparative Totals for the Year Ended December 31, 2018

	2019		Variance With Final Budget	2018 Actual
	Original & Final Budget	Actual		
<b>REVENUES</b>				
<b>Taxes</b>				
Property Taxes	\$ 7,110	\$ 7,003	\$ (107)	\$ -
<b>Intergovernmental Revenues</b>				
State Grants	215,545	270,902	55,357	64,745
<b>TOTAL REVENUES</b>	<u>222,655</u>	<u>277,905</u>	<u>55,250</u>	<u>64,745</u>
<b>EXPENDITURES</b>				
<b>Public Works</b>				
Community Development	-	6,157	(6,157)	55,240
<b>Capital Outlay</b>				
General Government Capital Outlay	249,644	517,572	(267,928)	29,840
<b>TOTAL EXPENDITURES</b>	<u>249,644</u>	<u>523,729</u>	<u>(274,085)</u>	<u>85,080</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	<u>(26,989)</u>	<u>(245,824)</u>	<u>(218,835)</u>	<u>(20,335)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	224,000	224,000	41,842
Transfers (Out)	(14,000)	-	14,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(14,000)</u>	<u>224,000</u>	<u>238,000</u>	<u>41,842</u>
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<u>\$ (40,989)</u>	<u>(21,824)</u>	<u>\$ 19,165</u>	<u>21,507</u>
<b>FUND BALANCE, BEGINNING</b>		<u>22,125</u>		<u>618</u>
<b>FUND BALANCE, ENDING</b>		<u>\$ 301</u>		<u>\$ 22,125</u>

See accompanying Independent Auditors' Report.

## **OTHER SUPPLEMENTARY INFORMATION**

CITY OF DELTA, COLORADO

**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	SPECIAL REVENUE			
	FUNDS	PERMANENT		
	Conservation Trust Fund	Perpetual Care Fund	Total	
			2019	2018
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Investments				
Cash	\$ 69,001	\$ 53,660	\$ 122,661	\$ 69,110
Investments	248,787	-	248,787	243,076
TOTAL ASSETS	317,788	53,660	371,448	312,186
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	-	-	-	1,000
<b>FUND BALANCE</b>				
Nonspendable Fund Balance	-	53,660	53,660	49,070
Restricted Fund Balance	317,788	-	317,788	262,116
TOTAL FUND BALANCE	317,788	53,660	371,448	311,186
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 317,788	\$ 53,660	\$ 371,448	\$ 312,186

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**NONMAJOR GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	SPECIAL REVENUE			
	FUND	PERMANENT		
	Conservation		Total	
	Trust	Perpetual Care		
	Fund	Fund	2019	2018
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 101,822	\$ -	\$ 101,822	\$ 88,202
Charges for Services	-	4,740	4,740	4,480
Investment Earnings	5,711	-	5,711	5,000
<b>TOTAL REVENUES</b>	<b>107,533</b>	<b>4,740</b>	<b>112,273</b>	<b>97,682</b>
<b>EXPENDITURES</b>				
Current:				
Parks, Recreation and Other	4,116	150	4,266	6,465
Capital Outlay	47,745	-	47,745	81,714
<b>TOTAL EXPENDITURES</b>	<b>51,861</b>	<b>150</b>	<b>52,011</b>	<b>88,179</b>
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>	<b>55,672</b>	<b>4,590</b>	<b>60,262</b>	<b>9,503</b>
<b>FUND BALANCE, BEGINNING</b>	<b>262,116</b>	<b>49,070</b>	<b>311,186</b>	<b>301,683</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 317,788</b>	<b>\$ 53,660</b>	<b>\$ 371,448</b>	<b>\$ 311,186</b>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**BUDGETARY COMPARISON SCHEDULE**

**Conservation Trust Fund**

FOR THE YEAR ENDED DECEMBER 31, 2019

With Comparative Totals for the Year Ended December 31, 2018

	2019		Variance With Final Budget	2018 Actual
	Original & Final Budget	Actual		
<b>REVENUES</b>				
<b>Intergovernmental Revenues</b>				
Cons Trust Fund Revenue	\$ 91,000	\$ 101,822	\$ 10,822	\$ 88,202
<b>Investment Earnings</b>	2,360	5,711	3,351	5,000
TOTAL REVENUES	<u>93,360</u>	<u>107,533</u>	<u>14,173</u>	<u>93,202</u>
<b>EXPENDITURES</b>				
<b>Parks, Recreation and Other</b>				
Parks	6,500	4,116	2,384	6,465
<b>Capital Outlay</b>				
Parks, Recreation and Other Capital Outlay	<u>134,359</u>	<u>47,745</u>	<u>86,614</u>	<u>81,714</u>
TOTAL EXPENDITURES	<u>140,859</u>	<u>51,861</u>	<u>88,998</u>	<u>88,179</u>
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<u>\$ (47,499)</u>	<u>55,672</u>	<u>\$ 103,171</u>	<u>5,023</u>
<b>FUND BALANCE, BEGINNING</b>		<u>262,116</u>		<u>257,093</u>
<b>FUND BALANCE, ENDING</b>		<u>\$ 317,788</u>		<u>\$ 262,116</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**BUDGETARY COMPARISON SCHEDULE**

**Perpetual Care Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019			2018 Actual
	Original & Final Budget	Actual	Variance With Final Budget	
<b>REVENUES</b>				
<b>Charges for Services</b>				
Sales of Goods	\$ 3,500	\$ 4,740	\$ 1,240	\$ 4,480
<b>EXPENDITURES</b>				
<b>Parks, Recreation and Other</b>				
Cemetery	1,000	150	850	-
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<u>\$ 2,500</u>	4,590	<u>\$ 2,090</u>	4,480
<b>FUND BALANCE, BEGINNING</b>		49,070		44,590
<b>FUND BALANCE, ENDING</b>		<u>\$ 53,660</u>		<u>\$ 49,070</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**COMBINING SCHEDULE OF NET POSITION**

**NONMAJOR ENTERPRISE FUNDS**

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	Refuse Fund	Total	
		2019	2018
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments			
Cash	\$ (34,642)	\$ (34,642)	\$ 48,113
Investments	991,014	991,014	968,681
Receivables			
Accounts Receivable	73,502	73,502	71,974
Other Receivables	-	-	675
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 1,029,874</u>	<u>\$ 1,029,874</u>	<u>\$ 1,089,443</u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 20,624	\$ 20,624	\$ 14,765
Accrued Salaries and Benefits	6,255	6,255	5,215
Total Current Liabilities	<u>26,879</u>	<u>26,879</u>	<u>19,980</u>
<b>Noncurrent Liabilities</b>			
Due in more than one year	<u>6,525</u>	<u>6,525</u>	<u>5,359</u>
TOTAL LIABILITIES	<u>33,404</u>	<u>33,404</u>	<u>25,339</u>
<b>NET POSITION</b>			
Unrestricted Net Position	<u>996,470</u>	<u>996,470</u>	<u>1,064,104</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 1,029,874</u>	<u>\$ 1,029,874</u>	<u>\$ 1,089,443</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
**With Comparative Totals for the Year Ended December 31, 2018**

	Refuse	Total	
	Fund	2019	2018
<b>Operating Revenues</b>			
Utility Charges	\$ 712,186	\$ 712,186	\$ 695,174
<b>Operating Expenses</b>			
Management Fees/Internal Charges	293,248	293,248	289,260
Collection, Transmission and Distribution	390,428	390,428	364,081
Claims and Premiums	5,661	5,661	286
Total Expenditures	689,337	689,337	653,627
Operating Income (Loss)	22,849	22,849	41,547
<b>Other Income (Expense)</b>			
Investment Earnings	22,334	22,334	21,111
Other Revenue	12,183	12,183	13,125
Total Other Income (Expense)	34,517	34,517	34,236
Net Income (Loss) before Transfers	57,366	57,366	75,783
<b>Transfers</b>			
Transfers In/(Out)	(125,000)	(125,000)	(119,400)
<b>Change in Net Position</b>	(67,634)	(67,634)	(43,617)
<b>Net Position, Beginning</b>	1,064,104	1,064,104	1,107,721
<b>Net Position, Ending</b>	\$ 996,470	\$ 996,470	\$ 1,064,104

See accompanying Independent Auditors' Report.

CITY OF DELTA

**COMBINING SCHEDULE OF CASH FLOWS -  
NONMAJOR ENTERPRISE FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	Refuse	Total	
	Fund	2019	2018
Cash Flows From Operating Activities:			
Cash Received from Customers	\$ 711,333	\$ 711,333	\$ 696,729
Cash Paid to Suppliers	(286,728)	(286,728)	(270,300)
Cash Paid for Interfund Services	(293,248)	(293,248)	(289,260)
Cash Paid to Employees	(101,296)	(101,296)	(95,631)
Net Cash Provided by Operating Activities	<u>30,061</u>	<u>30,061</u>	<u>41,538</u>
Cash Flows (Uses) From Noncapital Financing Activities:			
Cash from Other Funds	(125,000)	(125,000)	(119,400)
Other Revenues (Expense)	12,183	12,183	13,125
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(112,817)</u>	<u>(112,817)</u>	<u>(106,275)</u>
Cash Flows (Uses) From Investing Activities:			
Interest Received	<u>22,334</u>	<u>22,334</u>	<u>21,111</u>
Net Increase (Decrease) in Cash	(60,422)	(60,422)	(43,626)
Cash - Beginning	<u>1,016,794</u>	<u>1,016,794</u>	<u>1,060,420</u>
Cash - Ending	<u>\$ 956,372</u>	<u>\$ 956,372</u>	<u>\$ 1,016,794</u>
Cash	\$ (34,642)	\$ (34,642)	\$ 48,113
Investments	<u>991,014</u>	<u>991,014</u>	<u>968,681</u>
Total	<u>\$ 956,372</u>	<u>\$ 956,372</u>	<u>\$ 1,016,794</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:			
Operating Income (Loss)	<u>\$ 22,849</u>	<u>\$ 22,849</u>	<u>\$ 41,547</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Changes in Assets and Liabilities Related to Operations:			
(Increase) Decrease in:			
Accounts Receivable	(1,528)	(1,528)	2,229
Other Receivables	675	675	(674)
(Increase) Decrease in:			
Accounts Payable	5,859	5,859	4,813
Accrued Salaries and Benefits	1,040	1,040	149
Accrued Compensated Absences	<u>1,166</u>	<u>1,166</u>	<u>(6,526)</u>
Total Adjustments	<u>7,212</u>	<u>7,212</u>	<u>(9)</u>
Net Cash Used for Operating Activities	<u>\$ 30,061</u>	<u>\$ 30,061</u>	<u>\$ 41,538</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**BUDGET AND ACTUAL**

**Municipal Light & Power Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019		Variance with Final Budget	2018 Actual
	Final Budget	Actual		
<b>Operating Revenues</b>				
Utility Charges	\$ 6,322,500	\$ 6,657,974	\$ 335,474	\$ 6,460,012
Other Charges for Services	12,000	30,581	18,581	11,216
Total Revenues	<u>6,334,500</u>	<u>6,688,555</u>	<u>354,055</u>	<u>6,471,228</u>
<b>Operating Expenses</b>				
Commodity Charges	4,615,000	4,523,973	91,027	4,521,267
Management Fees/Internal Charges	500,452	516,783	(16,331)	503,655
Collection, Transmission and Distribution Administration	680,434	627,916	52,518	586,072
Other Capital Outlay	144,149	136,315	7,834	126,192
	246,700	476,113	(229,413)	85,999
Total Expenditures	<u>6,186,735</u>	<u>6,281,100</u>	<u>(94,365)</u>	<u>5,823,185</u>
Operating Income (Loss)	<u>147,765</u>	<u>407,455</u>	<u>259,690</u>	<u>648,043</u>
<b>Other Income (Expense)</b>				
Intergovernmental Revenue	25,000	-	(25,000)	-
Investment Earnings	60,000	105,598	45,598	81,301
Other Revenue	94,500	406,877	312,377	352,036
Debt Service	(270,991)	(277,084)	(6,093)	(303,910)
Total Other Income (Expense)	<u>(91,491)</u>	<u>235,391</u>	<u>326,882</u>	<u>129,427</u>
Net Income (Loss) before Transfers	56,274	642,846	586,572	777,470
<b>Transfers</b>				
Transfers In/(Out)	<u>(315,000)</u>	<u>(315,000)</u>	<u>-</u>	<u>(120,000)</u>
Change in Net Position (Budget Basis)	<u>\$ (258,726)</u>	<u>327,846</u>	<u>\$ 586,572</u>	<u>657,470</u>
<b>Budget to GAAP Reconciliation</b>				
Principal Paid		188,526		206,877
Depreciation Expense		(373,465)		(365,828)
Capital Outlay		448,013		63,884
Change in Net Position - GAAP Basis		590,920		562,403
Net Position, Beginning		<u>10,327,292</u>		<u>9,764,889</u>
Net Position, Ending		<u>\$ 10,918,212</u>		<u>\$ 10,327,292</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL**

**Sewer Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019			2018 Actual
	Final Budget	Actual	Variance with Final Budget	
<b>Operating Revenues</b>				
Utility Charges	\$ 1,299,340	\$ 1,326,541	\$ 27,201	\$ 1,320,392
Other Charges for Services	7,200	8,795	1,595	9,749
Total Revenues	<u>1,306,540</u>	<u>1,335,336</u>	<u>28,796</u>	<u>1,330,141</u>
<b>Operating Expenses</b>				
Management Fees/Internal Charges	242,408	242,865	(457)	233,327
Collection, Transmission and Distribution	249,710	278,429	(28,719)	203,809
Production and Treatment	15,000	-	15,000	6,097
Maintenance	513,850	511,629	2,221	459,388
Administration	30,780	30,345	435	47,628
Other Capital Outlay	556,100	56,623	499,477	89,065
Total Expenditures	<u>1,607,848</u>	<u>1,119,891</u>	<u>487,957</u>	<u>1,039,314</u>
Operating Income (Loss)	<u>(301,308)</u>	<u>215,445</u>	<u>516,753</u>	<u>290,827</u>
<b>Other Income (Expense)</b>				
Investment Earnings	44,000	65,103	21,103	56,784
Other Revenue	32,500	27,301	(5,199)	40,889
Debt Service	(174,316)	(174,167)	149	(174,173)
Total Other Income (Expense)	<u>(97,816)</u>	<u>(81,763)</u>	<u>16,053</u>	<u>(76,500)</u>
Net Income (Loss) before Transfers	<u>(399,124)</u>	<u>133,682</u>	<u>532,806</u>	<u>214,327</u>
<b>Transfers</b>				
Transfers In/(Out)	<u>(215,000)</u>	<u>(195,000)</u>	<u>20,000</u>	<u>(185,000)</u>
Net Income (Loss), Budget Basis	<u>(614,124)</u>	<u>(61,318)</u>	<u>552,806</u>	<u>29,327</u>
<b>Contributed Capital</b>				
Plant Investment Fees	<u>25,000</u>	<u>109,000</u>	<u>84,000</u>	<u>119,900</u>
Change in Net Position (Budget Basis)	<u>\$ (589,124)</u>	<u>47,682</u>	<u>\$ 636,806</u>	<u>149,227</u>
<b>Budget to GAAP Reconciliation</b>				
Principal Paid		111,190		107,401
Depreciation Expense		(503,678)		(494,091)
Capital Outlay		54,553		95,162
Change in Net Position - GAAP Basis		<u>(290,253)</u>		<u>(142,301)</u>
Net Position, Beginning		<u>9,094,921</u>		<u>9,237,222</u>
Net Position, Ending		<u>\$ 8,804,668</u>		<u>\$ 9,094,921</u>

See accompanying Independent Auditors' Report.

## CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL****Water Fund****FOR THE YEAR ENDED DECEMBER 31, 2019****With Comparative Totals for the Year Ended December 31, 2018**

	2019		Variance with Final Budget	2018
	Final Budget	Actual		Actual
<b>Operating Revenues</b>				
Utility Charges	\$ 1,870,300	\$ 1,943,998	\$ 73,698	\$ 2,012,098
Other Charges for Services	1,200	3,947	2,747	7,153
Total Revenues	<u>1,871,500</u>	<u>1,947,945</u>	<u>76,445</u>	<u>2,019,251</u>
<b>Operating Expenses</b>				
Commodity Charges	500,000	441,454	58,546	474,625
Management Fees/Internal Charges	294,242	297,871	(3,629)	318,748
Collection, Transmission and Distribution	593,665	483,702	109,963	528,161
Production and Treatment	347,600	338,205	9,395	335,550
Administration	23,159	22,371	788	23,502
Other Capital Outlay	409,000	127,721	281,279	16,925
Total Expenditures	<u>2,167,666</u>	<u>1,711,324</u>	<u>456,342</u>	<u>1,697,511</u>
Operating Income (Loss)	<u>(296,166)</u>	<u>236,621</u>	<u>532,787</u>	<u>321,740</u>
<b>Other Income (Expense)</b>				
Investment Earnings	44,000	67,081	23,081	55,592
Other Revenue	<u>35,750</u>	<u>30,183</u>	<u>(5,567)</u>	<u>35,487</u>
Total Other Income (Expense)	<u>79,750</u>	<u>97,264</u>	<u>17,514</u>	<u>91,079</u>
Net Income (Loss) before Transfers	(216,416)	333,885	550,301	412,819
<b>Transfers</b>				
Transfers In/(Out)	<u>(301,000)</u>	<u>(510,250)</u>	<u>(209,250)</u>	<u>(305,342)</u>
Net Income (Loss), Budget Basis	(517,416)	(176,365)	341,051	107,477
<b>Contributed Capital</b>				
Plant Investment Fees	<u>13,200</u>	<u>66,000</u>	<u>52,800</u>	<u>60,800</u>
Change in Net Position (Budget Basis)	<u>\$ (504,216)</u>	<u>(110,365)</u>	<u>\$ 393,851</u>	<u>168,277</u>
<b>Budget to GAAP Reconciliation</b>				
Depreciation Expense		(260,214)		(291,487)
Capital Outlay		<u>127,721</u>		<u>16,925</u>
Change in Net Position - GAAP Basis		(242,858)		(106,285)
Net Position, Beginning		<u>7,272,193</u>		<u>7,378,478</u>
Net Position, Ending		<u>\$ 7,029,335</u>		<u>\$ 7,272,193</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**BUDGET AND ACTUAL**

**Refuse Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019			2018 Actual
	Final Budget	Actual	Variance with Final Budget	
<b>Operating Revenues</b>				
Utility Charges	\$ 667,000	\$ 712,186	\$ 45,186	\$ 695,174
<b>Operating Expenses</b>				
Management Fees/Internal Charges	287,331	293,248	(5,917)	289,260
Collection, Transmission and Distribution	404,396	390,428	13,968	364,081
Claims and Premiums	-	5,660	(5,660)	286
Total Expenditures	691,727	689,336	2,391	653,627
Operating Income (Loss)	(24,727)	22,850	47,577	41,547
<b>Other Income (Expense)</b>				
Investment Earnings	15,500	22,333	6,833	21,111
Other Revenue	17,000	12,183	(4,817)	13,125
Total Other Income (Expense)	32,500	34,516	2,016	34,236
Net Income (Loss) before Transfers	7,773	57,366	49,593	75,783
<b>Transfers</b>				
Transfers In/(Out)	(150,000)	(125,000)	25,000	(119,400)
Change in Net Position (Budget Basis)	\$ (142,227)	(67,634)	\$ 74,593	(43,617)
<b>Net Position, Beginning</b>		1,064,104		1,107,721
<b>Net Position, Ending</b>		\$ 996,470		\$ 1,064,104

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**BUDGET AND ACTUAL**

**Golf Course Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019		Variance with Final Budget	2018 Actual
	Final Budget	Actual		
<b>Operating Revenues</b>				
Golf Course Charges	\$ 481,333	\$ 535,754	\$ 54,421	\$ 500,097
<b>Operating Expenses</b>				
Golf Course Pro and Concessions	273,751	275,815	(2,064)	268,393
Golf Course Maintenance	379,622	350,222	29,400	344,145
Management Fees/Internal Charges	186,432	186,483	(51)	177,071
Other Capital Outlay	-	10,621	(10,621)	16,499
Total Expenditures	839,805	823,141	16,664	806,108
Operating Income (Loss)	(358,472)	(287,387)	71,085	(306,011)
<b>Other Income (Expense)</b>				
Other Revenue	900	10,902	10,002	4,106
Debt Service	(145,941)	(146,356)	(415)	(146,574)
Total Other Income (Expense)	(145,041)	(135,454)	9,587	(142,468)
Net Income (Loss) before Transfers	(503,513)	(422,841)	80,672	(448,479)
<b>Transfers</b>				
Transfers In/(Out)	495,000	421,250	(73,750)	444,400
Change in Net Position (Budget Basis)	\$ (8,513)	(1,591)	\$ 6,922	(4,079)
<b>Budget to GAAP Reconciliation</b>				
Principal Paid		98,669		94,328
Depreciation Expense		(40,911)		(40,121)
Capital Outlay		-		7,120
Change in Net Position - GAAP Basis		56,167		57,248
Net Position, Beginning		(656,710)		(713,958)
Net Position, Ending		\$ (600,543)		\$ (656,710)

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**COMBINING STATEMENT OF NET POSITION**

**INTERNAL SERVICE FUNDS**

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	Internal Service	Employees'	Total	
	Fund	Dental Fund	2019	2018
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Investments				
Cash	\$ 146,646	\$ 11,140	\$ 157,786	\$ 86,763
Investments	775,152	-	775,152	1,004,727
Other Receivables	9,726	-	9,726	1,801
Inventory	122,226	-	122,226	97,438
Prepaid Expenses	1,070	-	1,070	-
Total Current Assets	<u>1,054,820</u>	<u>11,140</u>	<u>1,065,960</u>	<u>1,190,729</u>
<b>Noncurrent Assets</b>				
Capital Assets being depreciated	5,699,526	-	5,699,526	5,406,934
Accumulated Depreciation	(4,467,714)	-	(4,467,714)	(4,347,843)
Total Noncurrent Assets	<u>1,231,812</u>	<u>-</u>	<u>1,231,812</u>	<u>1,059,091</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,286,632</u>	<u>\$ 11,140</u>	<u>\$ 2,297,772</u>	<u>\$ 2,249,820</u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 61,986	\$ -	\$ 61,986	\$ 41,007
Accrued Salaries and Benefits	11,750	-	11,750	10,110
Total Current Liabilities	<u>73,736</u>	<u>-</u>	<u>73,736</u>	<u>51,117</u>
<b>Noncurrent Liabilities</b>				
Due in more than one year	16,130	-	16,130	13,805
TOTAL LIABILITIES	<u>89,866</u>	<u>-</u>	<u>89,866</u>	<u>64,922</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,231,812	-	1,231,812	1,059,091
Unrestricted Net Position	964,954	11,140	976,094	1,125,807
TOTAL NET POSITION	<u>2,196,766</u>	<u>11,140</u>	<u>2,207,906</u>	<u>2,184,898</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 2,286,632</u>	<u>\$ 11,140</u>	<u>\$ 2,297,772</u>	<u>\$ 2,249,820</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**INTERNAL SERVICE FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	Internal Service	Employees'	Total	
	Fund	Dental	2019	2018
<b>Operating Revenues</b>				
Internal Charges	\$ 1,036,337	\$ 49,668	\$ 1,086,005	\$ 1,122,402
Other Charges for Services	-	9,487	9,487	9,139
Total Revenues	1,036,337	59,155	1,095,492	1,131,541
<b>Operating Expenses</b>				
Management Fees/Internal Charges	130,581	-	130,581	116,230
Claims and Premiums	27,934	39,161	67,095	85,207
Maintenance	602,867	-	602,867	568,558
Administration	-	9,954	9,954	10,026
Depreciation Expense	352,757	-	352,757	406,828
Total Expenditures	1,114,139	49,115	1,163,254	1,186,849
Operating Income (Loss)	(77,802)	10,040	(67,762)	(55,308)
<b>Other Income (Expense)</b>				
Intergovernmental Revenue	16,517	-	16,517	-
Investment Earnings	20,425	-	20,425	16,909
Other Revenue	14,231	-	14,231	9,453
Gain (Loss) on Sale of Assets	39,597	-	39,597	6,945
Total Other Income (Expense)	90,770	-	90,770	33,307
Net Income (Loss) before Transfers	12,968	10,040	23,008	(22,001)
<b>Transfers</b>				
Transfers In/(Out)	-	-	-	13,500
<b>Change in Net Position</b>	12,968	10,040	23,008	(8,501)
<b>Net Position, Beginning</b>	2,183,798	1,100	2,184,898	2,193,399
<b>Net Position, Ending</b>	\$ 2,196,766	\$ 11,140	\$ 2,207,906	\$ 2,184,898

See accompanying Independent Auditors' Report.

CITY OF DELTA

**COMBINING STATEMENT OF CASH FLOWS -  
INTERNAL SERVICE FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	Internal Service Fund	Employees' Dental Fund	Total	
			2019	2018
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ (7,925)	\$ 9,487	\$ 1,562	\$ 7,338
Cash Received from Interfund Services Provided	1,036,337	49,668	1,086,005	1,122,402
Cash Paid to Suppliers	(429,440)	(64,842)	(494,282)	(468,624)
Cash Paid for Interfund Services	(130,581)	-	(130,581)	(116,230)
Cash Paid to Employees	(186,547)	-	(186,547)	(173,843)
Net Cash Provided by Operating Activities	<u>281,844</u>	<u>(5,687)</u>	<u>276,157</u>	<u>371,043</u>
Cash Flows From Capital and Related Financing Activities:				
Grant Proceeds	16,517	-	16,517	-
Proceeds of Capital Asset Sales	196,397	-	196,397	6,945
Acquisition of Capital Assets	(682,279)	-	(682,279)	(243,347)
Cash Flows Used by Capital and Related Financing Activities	<u>(469,365)</u>	<u>-</u>	<u>(469,365)</u>	<u>(236,402)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	-	-	-	13,500
Other Revenues (Expense)	14,231	-	14,231	9,453
Net Cash Provided (Used) by Noncapital Financing Activities	<u>14,231</u>	<u>-</u>	<u>14,231</u>	<u>22,953</u>
Cash Flows (Uses) From Investing Activities:				
Interest Received	20,425	-	20,425	16,909
Net Increase (Decrease) in Cash	(152,865)	(5,687)	(158,552)	174,503
Cash - Beginning	1,074,663	16,827	1,091,490	916,987
Cash - Ending	<u>\$ 921,798</u>	<u>\$ 11,140</u>	<u>\$ 932,938</u>	<u>\$ 1,091,490</u>
Cash	\$ 146,646	\$ 11,140	\$ 157,786	\$ 86,763
Investments	775,152	-	775,152	1,004,727
Total	<u>\$ 921,798</u>	<u>\$ 11,140</u>	<u>\$ 932,938</u>	<u>\$ 1,091,490</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ (77,802)	\$ 10,040	\$ (67,762)	\$ (55,308)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	352,757	-	352,757	406,828
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Other Receivables	(7,925)	-	(7,925)	(1,801)
Inventory	(24,788)	-	(24,788)	9,817
Prepaid Expenses	(1,069)	-	(1,069)	80
(Increase) Decrease in:				
Accounts Payable	36,707	(15,727)	20,980	9,798
Accrued Salaries and Benefits	1,639	-	1,639	2,168
Accrued Compensated Absences	2,325	-	2,325	(539)
Total Adjustments	<u>359,646</u>	<u>(15,727)</u>	<u>343,919</u>	<u>426,351</u>
Net Cash Used for Operating Activities	<u>\$ 281,844</u>	<u>\$ (5,687)</u>	<u>\$ 276,157</u>	<u>\$ 371,043</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**BUDGET AND ACTUAL**

**Internal Service Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019		Variance with Final Budget	2018
	Final Budget	Actual		Actual
<b>Operating Revenues</b>				
Internal Charges	\$ 1,032,617	\$ 1,036,337	\$ 3,720	\$ 1,074,666
<b>Operating Expenses</b>				
Management Fees/Internal Charges	128,458	130,581	(2,123)	116,230
Claims and Premiums	29,388	27,934	1,454	28,172
Maintenance	568,534	602,867	(34,333)	568,558
Other Capital Outlay	603,000	682,278	(79,278)	243,347
Total Expenditures	1,329,380	1,443,660	(114,280)	956,307
Operating Income (Loss)	(296,763)	(407,323)	(110,560)	118,359
<b>Other Income (Expense)</b>				
Intergovernmental Revenue	25,000	16,517	(8,483)	-
Investment Earnings	14,700	20,425	5,725	16,909
Other Revenue	-	14,231	14,231	9,453
Gain (Loss) on Sale of Assets	5,000	39,597	34,597	6,945
Total Other Income (Expense)	44,700	90,770	46,070	33,307
Change in Net Position (Budget Basis)	\$ (252,063)	(316,553)	\$ (64,490)	151,666
<b>Budget to GAAP Reconciliation</b>				
Depreciation Expense		(352,757)		(406,828)
Capital Outlay		682,278		243,347
<b>Change in Net Position - GAAP Basis</b>		12,968		(11,815)
<b>Net Position, Beginning</b>		2,183,798		2,195,613
<b>Net Position, Ending</b>		\$ 2,196,766		\$ 2,183,798

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**BUDGET AND ACTUAL**

**Employees' Dental Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**With Comparative Totals for the Year Ended December 31, 2018**

	2019			2018 Actual
	Final Budget	Actual	Variance with Final Budget	
<b>Operating Revenues</b>				
Internal Charges	\$ 54,984	\$ 49,668	\$ (5,316)	\$ 47,736
Other Charges for Services	9,517	9,487	(30)	9,139
Total Revenues	<u>64,501</u>	<u>59,155</u>	<u>(5,346)</u>	<u>56,875</u>
<b>Operating Expenses</b>				
Claims and Premiums	54,000	39,161	14,839	57,035
Administration	9,900	9,954	(54)	10,026
Total Expenditures	<u>63,900</u>	<u>49,115</u>	<u>14,785</u>	<u>67,061</u>
Net Income (Loss) before Transfers	601	10,040	9,439	(10,186)
<b>Transfers</b>				
Transfers In/(Out)	-	-	-	13,500
Change in Net Position (Budget Basis)	<u>\$ 601</u>	<u>10,040</u>	<u>\$ 9,439</u>	<u>3,314</u>
<b>Net Position, Beginning</b>		<u>1,100</u>		<u>(2,214)</u>
<b>Net Position, Ending</b>		<u>\$ 11,140</u>		<u>\$ 1,100</u>

See accompanying Independent Auditors' Report.

## **STATE COMPLIANCE**

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: City of Delta
		YEAR ENDING : December 2019
This Information From The Records of the City of Delta, CO	Prepared By: Phone:	Tod DeZeeuw, CPA 970-874-7908

**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

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

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	624,643
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	541,788
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	114,106
2. General fund appropriations		b. Snow and ice removal	24,079
3. Other local imposts (from page 2)	3,869,352	c. Other	1,806
4. Miscellaneous local receipts (from page 2)	64,994	d. Total (a. through c.)	139,991
5. Transfers from toll facilities		4. General administration & miscellaneous	34,313
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	912,851
a. Bonds - Original Issues		6. Total (1 through 5)	2,253,586
b. Bonds - Refunding Issues	18,858,577	<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	18,858,577	a. Interest	1,164,367
7. Total (1 through 6)	22,792,923	b. Redemption	20,200,000
<b>B. Private Contributions</b>		c. Total (a. + b.)	21,364,367
<b>C. Receipts from State government</b> (from page 2)	442,157	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	382,873	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	23,617,953	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	21,364,367
		<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>	23,617,953

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	20,200,000	16,230,000	20,200,000	16,230,000
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
	0	23,617,953	23,617,953		0

Notes and Comments:

<b>LOCAL HIGHWAY FINANCE REPORT</b>	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	39,170
b. Other local imposts:		b. Traffic Fines & Penalties	25,824
1. Sales Taxes	3,830,592	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	38,760	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	3,869,352	h. Other	
c. Total (a. + b.)	3,869,352	i. Total (a. through h.)	64,994
	(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	402,897	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	39,260	d. Federal Transit Admin	
d. Other (Specify)	0	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	382,873
f. Total (a. through e.)	39,260	g. Total (a. through f.)	382,873
4. Total (1. + 2. + 3.f)	442,157	3. Total (1. + 2.g)	
			(Carry forward to page 1)

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

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs		0	0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		18,289	18,289
(3). System Preservation			0
(4). System Enhancement & Operation		606,354	606,354
(5). Total Construction (1) + (2) + (3) + (4)	0	624,643	624,643
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	624,643	624,643
			(Carry forward to page 1)

**Notes and Comments:**

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**SUPPLEMENTAL SCHEDULES REQUIRED  
PURSUANT TO BOND AGREEMENTS**

**CITY OF DELTA, COLORADO**

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2019

TABLE 1  
Debt Service Coverage

	2015	2016	2017	2018	2019
City CIF Tax	1,729,795	1,772,454	1,829,178	1,940,626	2,076,118
County CIF Tax	598,535	589,163	632,931	652,787	751,499
Interest Earnings	296	475	2,319	12,119	33,862
Total Pledged Revenues	2,328,626	2,362,092	2,464,428	2,605,532	2,861,479
Maximum Annual Debt Service	1,778,105	1,781,095	1,780,105	1,777,855	1,769,368
BAB's Payment	-383,032	-390,961	-387,686	-389,141	-382,873
Net Debt Service	1,395,073	1,390,134	1,392,419	1,388,714	1,386,495
Coverage	166.92%	169.92%	176.99%	187.62%	206.38%

TABLE 2  
History of City CIF Tax

Year	City CIF Sales Tax Collections	City CIF Use Tax Collections	Total City CIF Tax Collections	% Change
2015	1,704,691	25,104	1,729,795	3.51%
2016	1,728,141	44,313	1,772,454	2.47%
2017	1,802,598	26,580	1,829,178	3.20%
2018	1,896,330	44,296	1,940,626	6.09%
2019	2,010,759	65,359	2,076,118	6.98%

TABLE 3  
History of County CIF Tax

Year	Total County CIF Sales Tax	% Change
2015	598,535	1.69%
2016	589,163	-1.57%
2017	632,931	7.43%
2018	652,787	3.14%
2019	751,499	15.12%

**CITY OF DELTA, COLORADO**

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2019

TABLE 4  
Monthly Comparison of Collections of City CIF Tax

Month	2018	2018	2019	2019	Percent Change
	Current Month	Period To Date	Current Month	Period To Date	
January	189,146	189,146	194,965	194,965	3.1%
February	133,560	322,706	137,139	332,104	2.9%
March	129,210	451,916	132,139	464,243	2.7%
April	168,032	619,948	179,374	643,617	3.8%
May	142,751	762,699	150,861	794,478	4.2%
June	154,954	917,653	161,732	956,210	4.2%
July	174,500	1,092,153	181,786	1,137,996	4.2%
August	161,345	1,253,498	173,415	1,311,411	4.6%
September	153,336	1,406,834	174,776	1,486,187	5.6%
October	170,532	1,577,366	180,911	1,667,098	5.7%
November	154,759	1,732,125	181,613	1,848,711	6.7%
December	164,205	1,896,330	162,048	2,010,759	6.0%

TABLE 5  
Monthly Comparison of Collections of County CIF Tax

Month	2018	2018	2019	2019	Percent Change
	Current Month	Period To Date	Current Month	Period To Date	
January	0	0	0	0	0.0%
February	603	603	418	418	-30.7%
March	46,360	46,963	50,681	51,099	8.8%
April	46,825	93,788	50,395	101,494	8.2%
May	53,677	147,465	59,014	160,508	8.8%
June	51,298	198,763	55,262	215,770	8.6%
July	55,502	254,265	59,262	275,032	8.2%
August	59,729	313,994	67,654	342,686	9.1%
September	57,883	371,877	68,476	411,162	10.6%
October	55,442	427,319	63,779	474,941	11.1%
November	55,969	483,288	68,180	543,121	12.4%
December	169,499	652,787	208,378	751,499	15.1%

**CITY OF DELTA, COLORADO**

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2019

Table 6  
Top 10 Generators of City 3% Sales & Use Tax

<u>Business Type</u>	<u>3% Sales &amp; Use Tax Receipts</u>	<u>% of Total Collections</u>
Retail	1,712,298	34.2%
Grocery	494,027	9.9%
Government	373,684	7.5%
Grocery	277,582	5.5%
Government	164,517	3.3%
Retail	143,815	2.9%
Retail	142,067	2.8%
Restaurant	95,807	1.9%
Utility	91,485	1.8%
Retail	77,370	1.5%
Total =	<u>3,572,652</u>	<u>71.26%</u>

**CITY OF DELTA, COLORADO**

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2019

Table 7  
City-Wide Capital Improvement Fund  
Budget Summary & Comparison

	2018	2018	2019	2019
	Budget	Actual	Budget	Actual
<b>Revenues</b>				
Sales Tax	1,815,600	1,896,330	1,930,582	2,010,759
Use Tax	27,000	44,296	27,000	65,359
County Sales Tax	616,671	652,787	629,066	751,499
Income From Investments	2,500	12,119	10,200	33,862
Grant	25,000	13,708		1,140
Miscellaneous	5,000	5	5,000	202,324
Total Revenues	2,491,771	2,619,245	2,601,848	3,064,943
<b>Expenditures</b>				
Miscellaneous Engineering	15,000	6,651	15,000	4,293
Sidewalk Projects	85,000	14,942	85,000	158,220
Murals/Public Art			6,000	1,345
ADA Compliance	15,000		15,000	18,000
Public Facilities	25,000	35,224	30,000	49,484
Street Improvement Projects	520,000	278,916	735,989	289,565
Storm Water System Improvements	400,000	316,168	400,000	176,859
Non-Departmental	76,531	76,375	79,149	78,827
Transfers to Other Funds	1,380,614	1,380,614	1,323,952	1,323,952
Total Expenditures	2,517,145	2,108,890	2,690,090	2,100,545
Fund Balance - Beginning	805,965	833,251	1,293,752	1,343,606
Fund Balance - Ending	780,591	1,343,606	1,205,510	2,308,004

Table 8  
Capital Improvements Plan Summary

Project Categories	2020	2021	2022	2023	2024
Parks	199,000				
Recreation Center	549,000	124,000	66,000	35,000	50,000
City-Wide Improvements	1,400,000	900,000	900,000	900,000	900,000
Electrical	305,000	484,500	94,000	0	0
Sewer	590,000	180,000	180,000	0	0
Water	1,100,000	200,000	200,000	200,000	200,000
Internal Service	653,000	658,000	547,500	613,400	545,050
Total	4,796,000	2,546,500	1,987,500	1,748,400	1,695,050

**CITY OF DELTA, COLORADO**

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2019

Table 9  
History of General Fund Revenues  
Expenditures & Changes in Fund Balances

Revenues	2015	2016	2017	2018	2019
Taxes	1,771,798	1,812,648	1,867,642	1,978,126	2,112,737
Franchise Tax Equivalents	617,442	633,598	634,596	672,879	675,483
Licenses & Permits	75,767	93,895	76,072	88,138	129,696
Intergovernmental	826,032	611,818	984,538	592,665	754,040
Charges for Services	19,593	30,592	26,252	60,558	61,925
Fines & Forfeitures	110,273	60,795	36,787	39,875	25,824
Miscellaneous	69,300	64,719	71,793	49,944	91,571
Accounting & Adm. Charges	749,781	749,781	801,613	801,613	818,560
Investment Earnings	1,737	6,902	12,425	22,633	29,159
Other Financing Sources				230,000	500,000
Total Revenues	4,241,723	4,064,748	4,511,718	4,536,431	5,198,995
Expenditures					
General Government	1,074,852	1,028,594	996,947	1,105,802	1,239,454
Public Safety	1,829,559	1,735,388	1,911,667	1,971,484	2,282,129
Community Development	265,662	367,411	383,479	406,211	380,242
Public Works	635,005	647,891	715,752	632,455	601,987
Animal & Code Enforcement	82,058	80,630	87,642	105,298	115,112
Cemetery	132,594	136,868	147,263	142,724	142,833
IT	50,611	29,366	25,156	22,578	27,913
Non-Departmental	58,422	55,048	519,820	47,829	77,413
	4,128,763	4,081,196	4,787,726	4,434,381	4,867,083
Revenues Over (Under)					
Expenditures	112,960	-16,448	-276,008	102,050	331,912
Fund Balance - Beginning	1,536,324	1,649,284	1,632,836	1,356,828	1,458,878
Fund Balance - Ending	1,649,284	1,632,836	1,356,828	1,458,878	1,790,790

**CITY OF DELTA, COLORADO**

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2019

Table 10  
General Fund Budget Summary & Comparison

	2018 Budget	2018 Actual	2019 Budget	2019 Actual
<b>Revenues</b>				
Taxes	1,881,600	1,978,126	1,996,582	2,112,737
Franchise Tax Equivalents	638,215	672,879	641,265	675,483
Licenses & Permits	72,000	88,138	82,000	129,696
Intergovernmental	486,041	592,665	570,740	754,040
Charges for Services	29,000	60,558	35,200	61,925
Fines & Forfeitures	70,000	39,875	40,000	25,824
Miscellaneous	41,900	72,577	46,585	120,730
Accounting & Adm. Charges	801,614	801,613	818,560	818,560
Other Financing Sources	230,000	230,000	500,000	500,000
Total Revenues	<u>4,250,370</u>	<u>4,536,431</u>	<u>4,730,932</u>	<u>5,198,995</u>
<b>Expenditures</b>				
Personnel	3,248,459	3,195,817	3,471,724	3,525,553
Charges & Services	1,107,958	1,198,526	1,312,216	1,261,777
Capital Outlay	71,570	40,038	95,239	79,753
Total Expenditures	<u>4,427,987</u>	<u>4,434,381</u>	<u>4,879,179</u>	<u>4,867,083</u>
Fund Balance - Beginning	1,285,789	1,356,828	1,330,902	1,356,828
Fund Balance - Ending	1,108,172	1,458,878	1,182,655	1,688,740

Table 11  
Revenue Obligations of the City

Revenue Obligation	Principal Amount Outstanding
Municipal Light & Power Revenue Notes, Series 2000	2,843,035
Sewer Note, Series 2012	1,755,361
Sales & Use Tax Revenue Bonds, Series 2019	16,230,000
Total Revenue Obligations Outstanding	<u><u>20,828,396</u></u>

**CITY OF DELTA, COLORADO**

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2019

Table 12

History of City -Wide Capital Improvement Fund & Debt Service Fund  
Revenues, Expenditures & Changes in Fund Balances

Revenues	2015	2016	2017	2018	2019
Sales & Use Tax	2,328,331	2,361,617	2,462,108	2,593,413	2,827,617
Intergovernmental	1,614,088	562,480	390,921	402,849	384,013
Charges for Services	6,013	7,800	5,525		
Investment Earnings	2,456	8,845	21,152	47,976	73,032
Miscellaneous	18,088	133,841	17,941	5	185,586
Other Financing Sources		81,539			
Total Revenues	3,968,976	3,156,122	2,897,647	3,044,243	3,470,248
Expenditures					
General Government					
Public Works					221,037
Accounting & Administration	71,953	71,953	71,925	71,925	73,972
Capital Outlay	2,130,894	952,242	746,777	656,351	685,882
Debt Service	1,778,105	1,781,905	1,780,105	1,777,855	1,769,442
Other Financing Uses	128,781				
Total Expenditures	4,109,733	2,806,100	2,598,807	2,506,131	2,750,333
Revenues Over (Under)					
Expenditures	-140,757	350,022	298,840	538,112	719,915
Other Financing Sources (Uses)					
Debt Proceeds					18,858,578
Escrow Payments					-20,419,372
Total Under Financing Sourced (Uses)					-1,560,794
Fund Balance - Beginning	1,912,052	1,771,295	2,340,855	2,639,695	3,177,807
Prior Period Restatement		219,538			
Fund Balance - Ending	1,771,295	2,340,855	2,639,695	3,177,807	2,336,928