

**CITY OF IDAHO SPRINGS
IDAHO SPRINGS, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

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

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FINANCIAL SECTION

Management's Discussion and Analysis

This discussion and analysis of the financial performance of the City of Idaho Springs, Colorado (City) provides an overview of the City's financial activities for the fiscal year ended December 31, 2019. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The Net Position of the City increased by \$3,032,546 (7.0%) during 2019.
- At December 31, 2019, the City's net position was \$46,376,070.
- At December 31, 2019, the City's governmental funds reported combined ending fund balances of \$10,055,600. This marked a decrease of \$5,807,448 (-36.6%) from the prior year's ending governmental fund balances due primarily to the costs of planned street improvement projects in the RAMP Fund and street maintenance projects in the 1% Street Sales Tax Fund.
- The City's water and wastewater funds' net positions increased by \$686,825 (8.2%) during 2019 primarily due to increased water and wastewater rates and grants received for the wastewater treatment plant enhancement project.

USING THIS ANNUAL REPORT

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

Government-wide financial statements

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

The *Statement of Net Position* presents information on all the City's assets and liabilities and deferred inflows and outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as useful indicators 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 (e.g., uncollected taxes and earned but unused employee leave).

Both of the government-wide financial statements distinguish functions of the City of Idaho Springs that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and culture and recreation. The business-type activities of the City include water and wastewater 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 of Idaho Springs, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental Funds -- Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds. The unrestricted balances left at year-end are available for spending in future years. These funds are reported using the modified accrual accounting method,

which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide detailed short-term views of cash, operations, and basic services provided. Governmental fund statements show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund *Balance Sheet* and the *Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities* provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The City of Idaho Springs maintains five individual governmental funds. Information for these funds is presented by fund name in the *Governmental Fund Balance Sheet* and the *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances* for four of the five governmental funds that meet the criteria to be designated as major funds (General Fund, Responsible Acceleration of Maintenance & Partnership (RAMP) Fund, Sales Tax Improvement Fund, and 1% Street Sales Tax Fund) as well as the Nonmajor Conservation Trust Fund.

Proprietary Funds -- The City's utility services are reported in proprietary funds; they focus on overall economic position rather than year-end fund balances. Enterprise funds are the type of proprietary funds used to account for the City's Water Fund and Wastewater Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, only in a bit more detail.

Fiduciary Funds – These funds are used to account for resources held for the benefit of parties outside the city's government. They are not reflected in the Statement of Net Position or the Statement of Activities because the resources of these funds are not available to the support city programs. They are shown on pages 13-14 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 immediately after the basic financial statements.

Other information

Budgetary comparison statements or schedules for all funds with budgeted expenditures/expenses are included following the "Notes to Financial Statements" to demonstrate each fund's compliance with adopted budgets and appropriations. For the year ended December 31, 2019, all governmental and proprietary funds had budgeted expenditures/expenses.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Idaho Springs, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$46,376,070 at the close of 2019. As shown below, the City's financial position improved by \$3,032,546 (7.0%) during 2019.

City of Idaho Springs' Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$11,183,439	\$16,888,207	\$ 492,502	\$ (158,012)	\$ 11,675,941	\$ 16,730,195
Noncurrent assets	37,709,734	29,870,488	13,732,305	9,948,076	51,442,039	39,818,564
Total assets	\$48,893,173	\$46,758,695	\$ 14,224,807	\$ 9,790,064	\$ 63,117,980	\$ 56,548,759
Deferred outflow s of resources	\$ 414,551	\$ 202,816	\$ -	\$ -	\$ 414,551	\$ 202,816
Current liabilities	\$ 975,886	\$ 905,620	\$ 465,915	\$ 149,513	\$ 1,441,801	\$ 1,055,133
Noncurrent Liabilities	9,856,647	9,924,206	4,747,001	1,315,485	14,603,648	11,239,691
Total liabilities	\$10,832,533	\$10,829,826	\$ 5,212,916	\$ 1,464,998	\$ 16,045,449	\$ 12,294,824
Deferred inflow s of resources	\$ 1,111,012	\$ 1,113,227	\$ -	\$ -	\$ 1,111,012	\$ 1,113,227
Net position:						
Net investment in capital assets	\$27,194,080	\$19,872,333	\$ 8,985,304	\$ 8,632,591	\$ 36,179,384	\$ 28,504,924
Restricted	2,646,783	8,770,965	302,885	398,099	2,949,668	9,169,064
Unrestricted	7,523,316	6,375,160	(276,298)	(705,624)	7,247,018	5,669,536
Total net position	\$37,364,179	\$35,018,458	\$ 9,011,891	\$ 8,325,066	\$ 46,376,070	\$ 43,343,524

Approximately 78% of the City's total net position at December 31, 2019 is represented by its investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment). The City uses these capital assets to provide services to residents and businesses; consequently, these assets are not available for future spending.

Approximately 6.4% (\$2,949,668) of the City's total net position at the end of 2019 represents resources that are subject to external restrictions on how they may be used. They are fund balance restrictions of sales taxes collected for streets improvements (\$2,411,800), state-shared lottery revenues of \$59,983 restricted for parks and certain recreation uses, \$175,000 restricted for emergencies, and \$302,885 restricted for operations and maintenance reserves in the Water and Wastewater Funds.

The remaining amount of the City's total net position at the end of 2019 (\$7,247,018) represents 15.6% of total net position and may be used to meet the City's other ongoing obligations to residents and creditors.

The following chart displays the changes in net position experienced by the City over the last two fiscal years. An analysis of these changes follows for both its Governmental and Business-type Activities.

City of Idaho Springs' Changes in Net Position

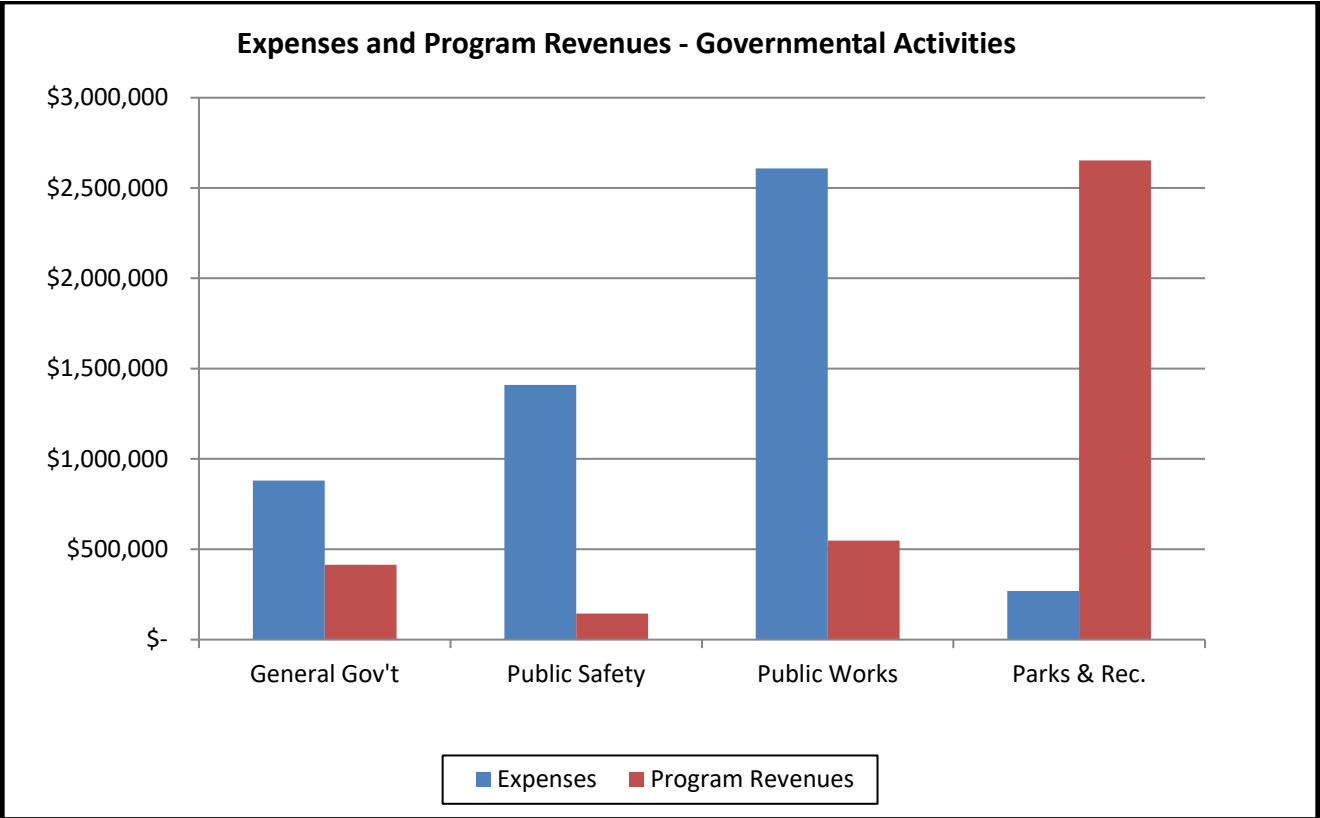
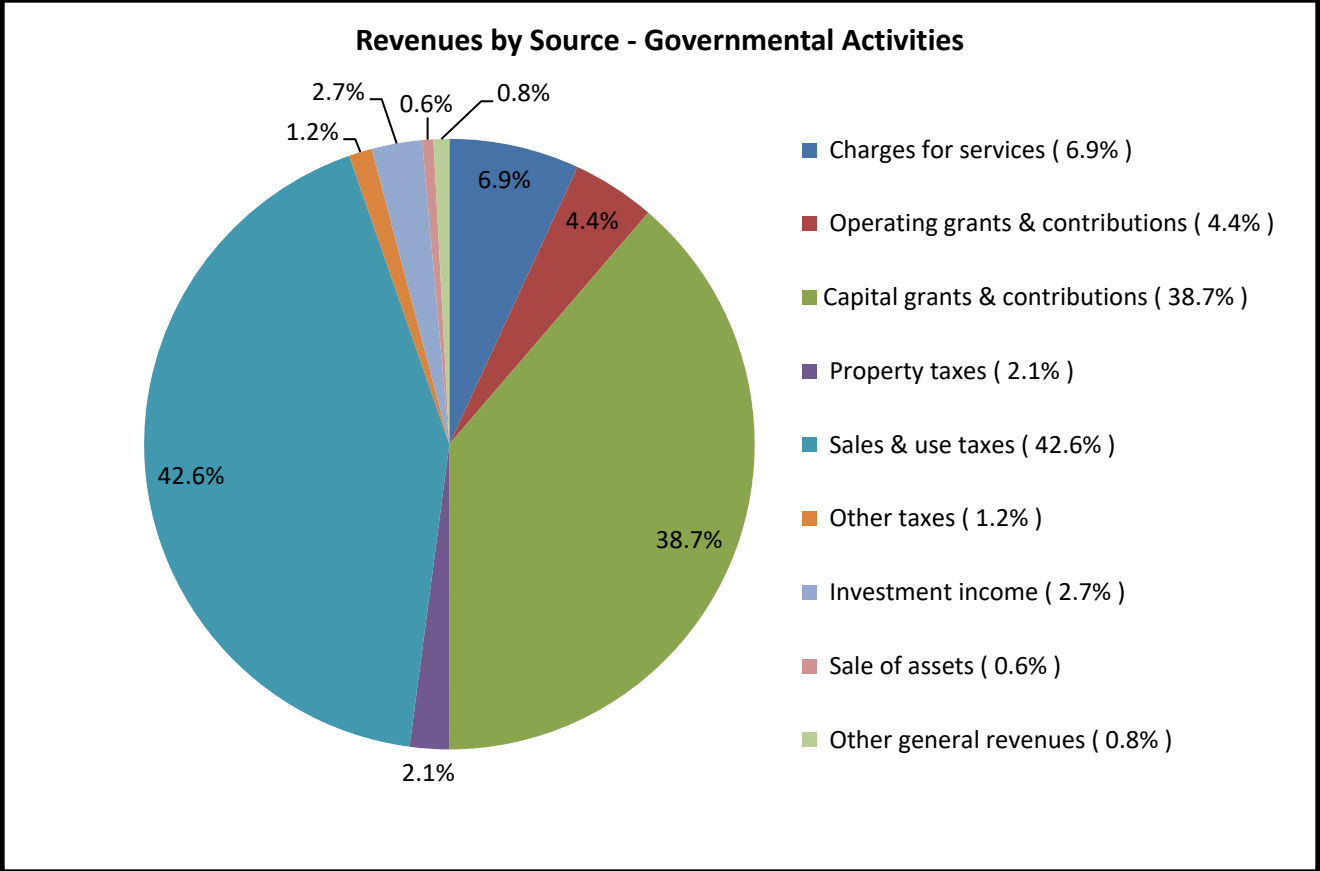
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Program revenues:						
Charges for services	\$ 517,863	\$ 320,341	\$ 1,860,345	\$ 1,654,747	\$ 2,378,208	\$ 1,975,088
Operating grants & contributions	330,945	378,019	-	10,000	330,945	388,019
Capital grants & contributions	2,908,080	-	503,667	5,602	3,411,747	5,602
General revenues:						
Property taxes	155,648	156,178	-	-	155,648	156,178
Specific ownership taxes	16,985	13,270	-	-	16,985	-
Sales & use taxes	3,199,432	2,902,624	-	-	3,199,432	2,902,624
Other taxes	92,770	83,479	-	-	92,770	83,479
Investment income	198,851	171,977	33,839	28,802	232,690	200,779
Gain (Loss) on disposal of capital assets	44,910	-	-	-	44,910	-
Other general revenues	62,791	678,698	6,898	5,913	69,689	684,611
Total revenues	\$ 7,528,275	\$ 4,704,586	\$ 2,404,749	\$ 1,705,064	\$ 9,933,024	\$ 6,396,380
Program expenses:						
General government	\$ 880,168	\$ 997,658	\$ -	\$ -	\$ 880,168	\$ 997,658
Public safety	1,409,752	1,252,855	-	-	1,409,752	1,252,855
Public works	2,607,874	1,371,639	-	-	2,607,874	1,371,639
Culture and Recreation	268,260	168,263	-	-	268,260	168,263
Water utility	-	-	879,308	826,288	879,308	826,288
Wastewater utility	-	-	838,616	901,676	838,616	901,676
Noncapitalized Capital Outlay	-	114,352	-	-	-	114,352
Total expenses	\$ 5,166,054	\$ 3,904,767	\$ 1,717,924	\$ 1,727,964	\$ 6,883,978	\$ 5,632,731
Transfers In/(Out)	\$ (16,500)	\$ (15,500)	\$ -	\$ -	\$ (16,500)	\$ (15,500)
Increase/(decrease) in net position	\$ 2,345,721	\$ 784,319	\$ 686,825	\$ (22,900)	\$ 3,032,546	\$ 761,419
Net Position, Beginning	35,018,458	34,234,139	8,325,066	8,347,966	43,343,524	42,582,105
Net Position, Ending	\$ 37,364,179	\$ 35,018,458	\$ 9,011,891	\$ 8,325,066	\$ 46,376,070	\$ 43,343,524

Governmental Activities

The City's Governmental Activities increased in net position by \$2,345,721 (6.7%) in 2019. Key elements of this increase are as follows:

- The City received \$2,642,070 in grants for culture and recreation projects including the multi-use Greenway project.
- Sales and use taxes increased by \$296,808 in 2019.
- Public Works expenses included the completion of several street improvement projects.

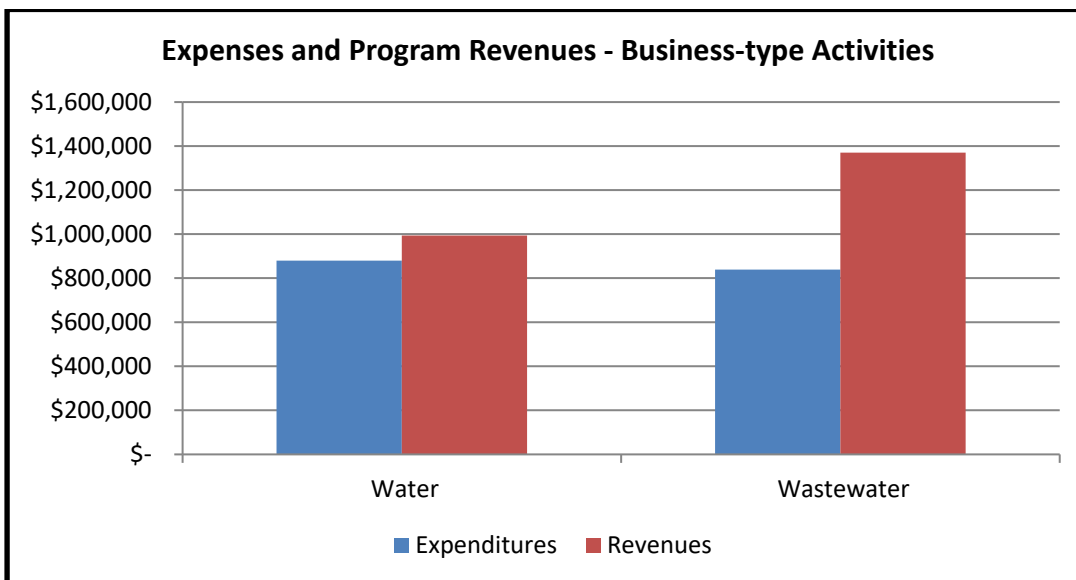
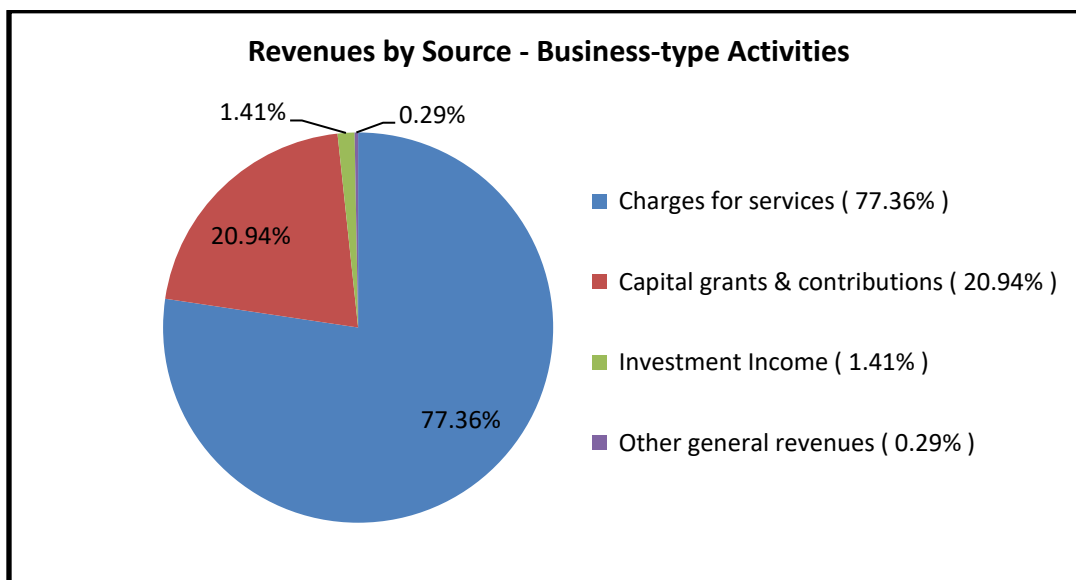
The following two charts illustrate the Governmental Activities revenues and expenses. As in most municipalities, the expenses of governmental activities are not fully supported through program revenues but are largely financed through taxes.



Business-type Activities

Business-type Activities increased in net position by \$686,825 (8.2%) during 2019. This was a significant improvement over 2018 when Business-type Activities' net position decreased by \$22,900 (-0.3%). Rate increases since 2018 contributed to the improvement. Charges for Services exceeded expenses in the Water Fund by \$107,818 and in the Wastewater Fund by \$34,603.

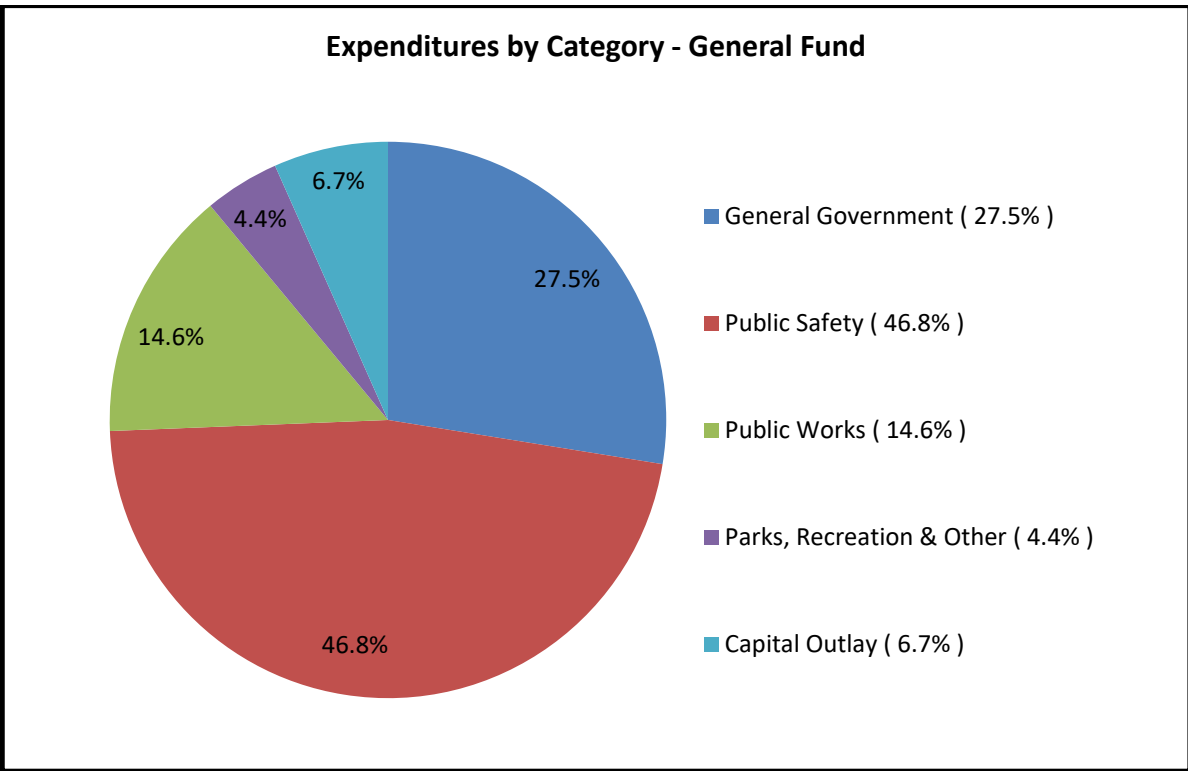
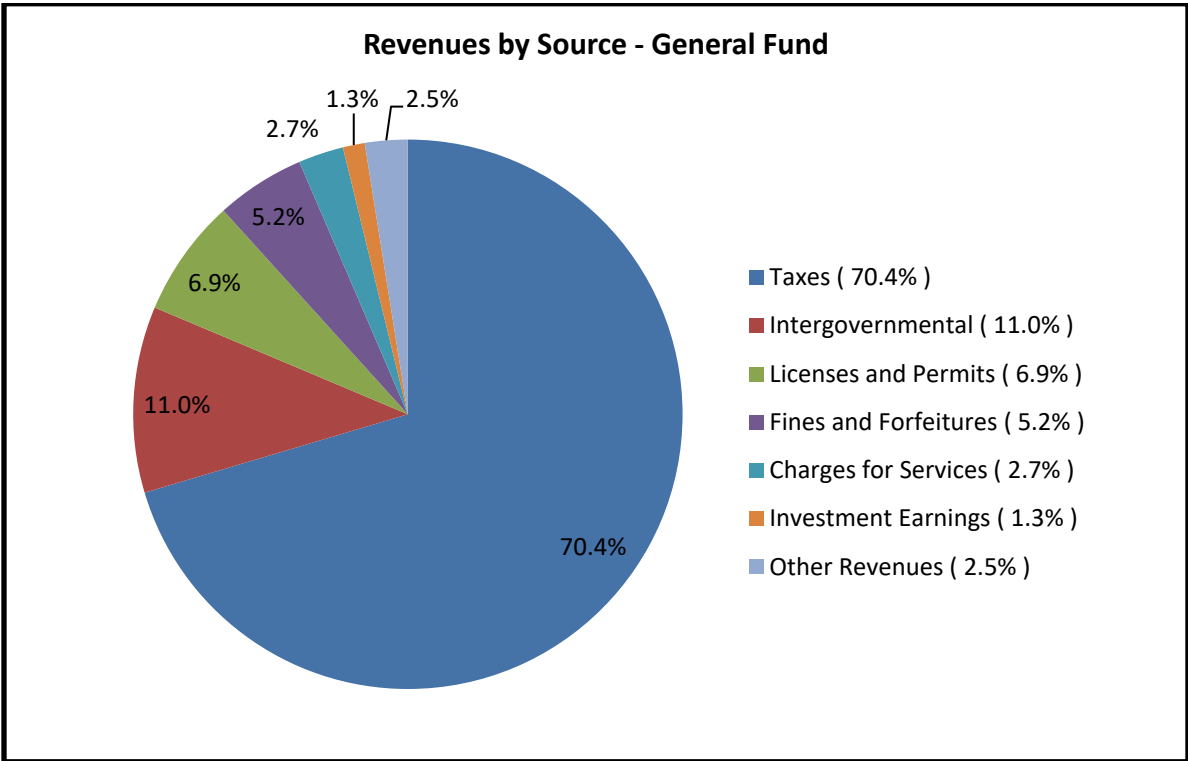
The following two charts illustrate the Business-type Activities revenues and expenses for 2019.



THE CITY'S FUNDS

As noted earlier, the City of Idaho Springs uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unrestricted fund balance) in each fund are shown at year end. At December 31, 2019 the City's four major Governmental funds reported combined ending fund balances of \$9,995,617. These funds are discussed below.

General Fund. The General Fund is the chief operating fund of the City of Idaho Springs. It accounts for all the general services provided by the City. At the end of 2019, the fund balance of the General Fund totaled \$2,335,940. This was a \$154,756 (-6.2%) decrease from 2018. The following two tables illustrate General Fund revenues and expenditures during 2019.



RAMP Fund. This fund is utilized to account for monies received from the State of Colorado to assume responsibility for Colorado Boulevard, a former state highway running through Idaho Springs. During 2019, the City continued to utilize these transition funds to upgrade the roadway to prepare it for continued maintenance under City ownership.

Sales Tax Improvement Fund. The Sales Tax Improvement Fund contains monies set aside by the City to finance capital equipment and capital improvements. Sales taxes totaling \$789,848 and grants totaling \$2,657,070 were the primary revenues of the fund during 2019. Capital expenditures of \$2,066,133 for the construction of the multi-use Greenway project, \$188,485 for City Hall Improvements, \$188,348 for land acquisition, and \$100,724 for Visitor Center improvements were the primary expenses of the fund. Total revenues exceeded total expenditure by \$943,401 during the year.

1% Street Sales Tax Fund. This fund accounts for revenues from a 1% sales tax dedicated to street repair and on-going maintenance. During 2019, fund revenues from sales taxes (\$749,038), state grants (\$266,010), and interest earnings on prior year balances (\$132,907) totaled \$1,147,955. Current year revenues and prior years' fund balances were utilized for street improvement project expenditures totaling \$6,631,453 and debt service payments of \$578,313 on the fund's 2018 Sales Tax Revenue Bonds.

Water Fund. At December 31, 2019 the net position of the Water Fund was \$4,705,258. This was an increase of \$132,482 (2.9%) over 2018. Recent rate increases enabled the Water Fund to record Operating Income of \$174,251 during 2019.

Wastewater Fund. At December 31, 2019 the net position of the Wastewater Fund was \$4,306,633. This was an increase of \$554,343 (14.8%) over 2019, primarily due to capital improvement grant monies received from the State of Colorado. Recent rate increases enabled the Wastewater Fund to record Operating Income of \$39,319 during 2019.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At December 31, 2019 the City had invested in a range of capital assets including land, buildings and improvements, vehicles, office equipment, and park equipment. Note 4 of the financial statements provides a summary of changes in capital assets during the year. During 2019, the City completed the multi-use Greenway, improved its City Hall and Visitor Center building, completed several street improvement projects, and began the enhancement of its wastewater treatment plant.

The City commits a third of its general 3% sales tax to capital equipment acquisition and capital improvement projects. An additional 1% sales tax is restricted to street maintenance which sometimes includes major maintenance projects that are recorded as capital assets.

Debt Administration. The City's long-term debt primarily consists of bonds, loans, capital leases, and interfund advances. At the end of 2019, the Governmental Activities had a balance of \$9,650,000 owed on the 2018 Street Sales Tax Revenue Bonds for street improvements, and \$20,000 for a capital lease/purchase of real property. See Note 6 on page 27 for more detailed information.

In Business-type Activities at December 31, 2019, the City owed \$4,747,001 on various water and wastewater notes with three State of Colorado agencies. These debts were incurred for improvements to the City's water, sewer, and wastewater treatment systems. The Business-type Activities owed \$2,814,476 to other City funds. Compensated absences are also recorded as long-term debts. See Note 6 on page 28 for more detailed information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's tax base has continued to grow. Through 2019, sales taxes increased for six years in a row. Management continues to forecast these revenues conservatively, however, due to their dependence on a strong economy. The City is active in promoting economic development.

Beginning in March 2020, the State of Colorado imposed lengthy restrictions on businesses, recreation, and places of worship with the stated purpose of slowing the spread of the Coronavirus so that hospital facilities would not be overwhelmed with patients. The City has been economically impacted by these restrictions, and the full economic impact has yet to be determined. Management will continue to monitor the economic factors affecting the City, to budget conservatively, and to amend adopted budgets if necessary.

REQUESTS FOR INFORMATION

This financial report is designed to provide the City of Idaho Springs' residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the funds it receives and assets it maintains. If you have questions about this report, or should you desire additional financial information, contact the City's management at City of Idaho Springs, 1711 Miner St., P.O. Box 907, Idaho Springs, CO 80452 or call City Hall at (303) 567-4421.

Mayberry & Company, LLC

Certified Public Accountants

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

City Council
City of Idaho Springs
Idaho Springs, Colorado

Independent Auditors' Report

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 Idaho Springs, Colorado, as of and for the year ended December 31, 2019 and the related notes to the financial statements which collectively comprise the basic financial statements of the City, 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 the 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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.

Opinion

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 Idaho Springs, 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 Idaho Springs, Colorado's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 6, 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 Discussion and Analysis and Pension Schedules(Unaudited)

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1 – M9 opinion and Pension Schedules on pages 39 - 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

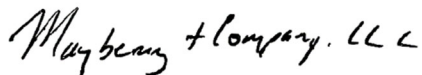
Required Supplementary Information – Budgetary Comparison Schedules and Other Supplementary Information

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 41 - 43 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 individual fund schedules on pages 44 - 48 and listed as other supplementary information 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* is presented on pages 49 - 50 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.



Englewood, CO
September 24, 2020

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BASIC FINANCIAL STATEMENTS

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CITY OF IDAHO SPRINGS, COLORADO

STATEMENT OF NET POSITION
DECEMBER 31, 2019

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 5,671,113	\$ -	\$ 5,671,113
Restricted Cash and Investments	1,747,043	302,885	2,049,928
Receivables			
Property Tax Receivable	180,608	-	180,608
Intergovernmental Receivables	266,010	-	266,010
Utility Receivable	-	463,608	463,608
Cash with Fiscal Agent	15,056	2,540,486	2,555,542
Other Receivables	489,132	-	489,132
Internal Balances	2,814,477	(2,814,477)	-
Total Current Assets	<u>11,183,439</u>	<u>492,502</u>	<u>11,675,941</u>
Noncurrent Assets			
Capital Assets not being Depreciated	3,769,552	4,682,312	8,451,864
Capital Assets being Depreciated	40,438,502	23,377,736	63,816,238
Accumulated Depreciation	(6,498,320)	(14,327,743)	(20,826,063)
Total Noncurrent Assets	<u>37,709,734</u>	<u>13,732,305</u>	<u>51,442,039</u>
TOTAL ASSETS	<u>48,893,173</u>	<u>14,224,807</u>	<u>63,117,980</u>
DEFERRED OUTFLOWS OF FINANCIAL RESOURCES			
Net Deferred Outflow Pension	414,551	-	414,551
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 49,307,724</u>	<u>\$ 14,224,807</u>	<u>\$ 63,532,531</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 617,073	\$ 279,397	\$ 896,470
Accrued Salaries and Benefits	33,207	9,980	43,187
Retainage Payable	292,203	147,883	440,086
Deposits and Escrow	4,748	-	4,748
Accrued Interest Payable	28,655	28,655	57,310
Total Current Liabilities	<u>975,886</u>	<u>465,915</u>	<u>1,441,801</u>
Noncurrent Liabilities			
Due within one year	175,000	232,985	407,985
Due in more than one year	9,681,647	4,514,016	14,195,663
Total Noncurrent Liabilities	<u>9,856,647</u>	<u>4,747,001</u>	<u>14,603,648</u>
TOTAL LIABILITIES	<u>10,832,533</u>	<u>5,212,916</u>	<u>16,045,449</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	180,608	-	180,608
Net Deferred Inflows Pension	84,750	-	84,750
Bond Premiums	845,654	-	845,654
TOTAL DEFERRED INFLOWS	<u>1,111,012</u>	<u>-</u>	<u>1,111,012</u>
NET POSITION			
Net Investment in Capital Assets	27,194,080	8,985,304	36,179,384
Restricted Net Position	2,646,783	302,885	2,949,668
Unrestricted Net Position	7,523,316	(276,298)	7,247,018
TOTAL NET POSITION	<u>37,364,179</u>	<u>9,011,891</u>	<u>46,376,070</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 49,307,724</u>	<u>\$ 14,224,807</u>	<u>\$ 63,532,531</u>

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

CITY OF IDAHO SPRINGS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS
Government Activities				
Current:				
General Government	\$ 880,168	\$ 248,969	\$ 164,481	\$ -
Public Safety	1,409,752	143,569	-	-
Public Works	2,607,874	125,325	155,936	266,010
Culture and Recreation	268,260	-	10,528	2,642,070
TOTAL GOVERNMENT ACTIVITIES	<u>5,166,054</u>	<u>517,863</u>	<u>330,945</u>	<u>2,908,080</u>
Business-type Activities				
Current:				
Water	879,308	987,126	-	6,665
Wastewater	838,616	873,219	-	497,002
TOTAL BUSINESS-TYPE ACTIVITIES	<u>1,717,924</u>	<u>1,860,345</u>	<u>-</u>	<u>503,667</u>
TOTAL GOVERNMENT	<u>\$ 6,883,978</u>	<u>\$ 2,378,208</u>	<u>\$ 330,945</u>	<u>\$ 3,411,747</u>
GENERAL REVENUES				
Property Taxes				
Specific Ownership Taxes				
Sales Taxes				
Franchise Taxes				
Interest Income				
Gain (Loss) on Disposal of Capital Assets				
Insurance Proceeds				
Other Revenues				
TRANSFERS				
TOTAL GENERAL REVENUES AND TRANSFERS				
CHANGE IN NET POSITION				
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
\$ (466,718)	\$ -	\$ (466,718)
(1,266,183)	-	(1,266,183)
(2,060,603)	-	(2,060,603)
<u>2,384,338</u>	<u>-</u>	<u>2,384,338</u>
<u>(1,409,166)</u>	<u>-</u>	<u>(1,409,166)</u>
-	114,483	114,483
<u>-</u>	<u>531,605</u>	<u>531,605</u>
-	646,088	646,088
<u>(1,409,166)</u>	<u>646,088</u>	<u>(763,078)</u>
155,648	-	155,648
16,985	-	16,985
3,199,432	-	3,199,432
92,770	-	92,770
198,851	33,839	232,690
44,910	-	44,910
-	6,898	6,898
62,791	-	62,791
<u>(16,500)</u>	<u>-</u>	<u>(16,500)</u>
<u>3,754,887</u>	<u>40,737</u>	<u>3,795,624</u>
2,345,721	686,825	3,032,546
<u>35,018,458</u>	<u>8,325,066</u>	<u>43,343,524</u>
<u>\$ 37,364,179</u>	<u>\$ 9,011,891</u>	<u>\$ 46,376,070</u>

CITY OF IDAHO SPRINGS, COLORADO

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	General Fund	RAMP Fund	Sales Tax Improvement Fund	1% Street Sales Tax Fund
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	\$ 1,967,558	\$ -	\$ 1,652,587	\$ 2,050,968
Restricted Cash and Investments	100,751	793,578	-	792,731
Receivables				
Property Tax Receivable	180,608	-	-	-
Intergovernmental Receivables	-	-	-	266,010
Cash with Fiscal Agent	11,502	-	3,554	-
Other Receivables	251,964	-	122,676	114,492
Internal Balances	102,447	-	2,712,030	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,614,830</u>	<u>\$ 793,578</u>	<u>\$ 4,490,847</u>	<u>\$ 3,224,201</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 60,327	\$ -	\$ 24,999	\$ 531,747
Accrued Salaries and Benefits	33,207	-	-	-
Retainage Payable	-	-	11,549	280,654
Deposits and Escrow	4,748	-	-	-
TOTAL LIABILITIES	<u>98,282</u>	<u>-</u>	<u>36,548</u>	<u>812,401</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
Deferred Property Taxes	180,608	-	-	-
FUND BALANCE				
Nonspendable Fund Balance	102,447	-	2,712,030	-
Restricted Fund Balance	175,000	-	-	2,411,800
Committed Fund Balance	-	793,578	1,742,269	-
Unassigned Fund Balance	2,058,493	-	-	-
TOTAL FUND BALANCE	<u>2,335,940</u>	<u>793,578</u>	<u>4,454,299</u>	<u>2,411,800</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 2,614,830</u>	<u>\$ 793,578</u>	<u>\$ 4,490,847</u>	<u>\$ 3,224,201</u>

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

Nonmajor Conservation Trust		Total	
Fund	2019	2018	
\$ -	\$ 5,671,113	\$ 13,355,851	
59,983	1,747,043	2,332,964	
-	180,608	155,648	
-	266,010	-	
-	15,056	8,766	
-	489,132	434,258	
-	2,814,477	600,720	
<u>\$ 59,983</u>	<u>\$ 11,183,439</u>	<u>\$ 16,888,207</u>	

\$ -	\$ 617,073	\$ 723,678	
-	33,207	29,311	
-	292,203	111,774	
-	4,748	4,748	
-	<u>947,231</u>	<u>869,511</u>	
-	180,608	155,648	
-	2,814,477	600,720	
59,983	2,646,783	180,058	
-	2,535,847	12,843,851	
-	2,058,493	2,238,419	
<u>59,983</u>	<u>10,055,600</u>	<u>15,863,048</u>	
<u>\$ 59,983</u>	<u>\$ 11,183,439</u>	<u>\$ 16,888,207</u>	

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CITY OF IDAHO SPRINGS, COLORADO

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

Fund Balance - Governmental Funds		\$ 10,055,600
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, not being depreciated	\$ 3,769,552	
Capital assets, being depreciated	40,438,502	
Accumulated depreciation	<u>(6,498,320)</u>	37,709,734
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds		
Bond premiums	<u>(845,654)</u>	(845,654)
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds		
FPPA Pension		
Net pension deferred outflows	414,551	
Net pension liability	(92,283)	
Net pension deferred Inflows	<u>(84,750)</u>	237,518
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Bonds payable	(9,650,000)	
Capital leases payable	(20,000)	
Accrued interest payable	(28,655)	
Accrued compensated absences	<u>(94,364)</u>	(9,793,019)
Total Net Position - Governmental Activities		<u><u>\$ 37,364,179</u></u>

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

CITY OF IDAHO SPRINGS, 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

	General	RAMP	Sales Tax	1% Street	Nonmajor
	Fund	Fund	Improvement	Sales Tax	Conservation
	Fund	Fund	Fund	Fund	Trust
	Fund	Fund	Fund	Fund	Fund
REVENUES					
Taxes	\$ 1,925,949	\$ -	\$ 789,848	\$ 749,038	\$ -
Intergovernmental Revenues	299,418	-	2,657,070	266,010	10,528
Licenses and Permits	190,004	-	-	-	-
Fines and Forfeits	143,569	-	-	-	-
Charges for Services	72,341	-	111,949	-	-
Investment Earnings	35,320	4,611	21,616	132,907	4,397
Other Revenues	68,790	-	44,910	-	-
TOTAL REVENUES	<u>2,735,391</u>	<u>4,611</u>	<u>3,625,393</u>	<u>1,147,955</u>	<u>14,925</u>
EXPENDITURES					
Current:					
General Government	798,315	-	-	250	-
Public Safety	1,357,250	-	-	-	-
Public Works	423,874	-	-	-	-
Parks, Recreation and Other	126,337	-	-	-	-
Capital Outlay	192,871	303,568	2,876,992	6,631,453	-
Debt Service	-	-	30,000	578,313	-
TOTAL EXPENDITURES	<u>2,898,647</u>	<u>303,568</u>	<u>2,906,992</u>	<u>7,210,016</u>	<u>-</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>(163,256)</u>	<u>(298,957)</u>	<u>718,401</u>	<u>(6,062,061)</u>	<u>14,925</u>
OTHER FINANCING SOURCES (USES)					
Debt Proceeds	-	-	-	-	-
Transfers In	8,500	-	250,000	-	-
Transfers (Out)	-	(250,000)	(25,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>8,500</u>	<u>(250,000)</u>	<u>225,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE - GAAP BASIS	<u>(154,756)</u>	<u>(548,957)</u>	<u>943,401</u>	<u>(6,062,061)</u>	<u>14,925</u>
FUND BALANCE, BEGINNING	<u>2,490,696</u>	<u>1,342,535</u>	<u>3,510,898</u>	<u>8,473,861</u>	<u>45,058</u>
FUND BALANCE, ENDING	<u>\$ 2,335,940</u>	<u>\$ 793,578</u>	<u>\$ 4,454,299</u>	<u>\$ 2,411,800</u>	<u>\$ 59,983</u>

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

Total	
2019	2018
\$ 3,464,835	\$ 3,155,550
3,233,026	377,270
190,004	67,188
143,569	173,000
184,290	80,152
198,851	171,978
113,700	679,448
<u>7,528,275</u>	<u>4,704,586</u>
798,565	918,879
1,357,250	1,239,737
423,874	399,978
126,337	102,260
10,004,884	8,470,077
608,313	215,188
<u>13,319,223</u>	<u>11,346,119</u>
<u>(5,790,948)</u>	<u>(6,641,533)</u>
-	10,747,834
258,500	9,500
<u>(275,000)</u>	<u>(25,000)</u>
<u>(16,500)</u>	<u>10,732,334</u>
(5,807,448)	4,090,801
15,863,048	11,772,247
<u>\$ 10,055,600</u>	<u>\$ 15,863,048</u>

CITY OF IDAHO SPRINGS, COLORADO

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

Change in Fund Balance - Governmental Funds		\$ (5,807,448)
<p>Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level</p>		
Capitalized Asset Purchases	9,918,981	
Depreciation Expense	<u>(1,962,689)</u>	7,956,292
<p>Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.</p>		
FPPA Pension		
Change in deferred pension outflows	211,735	
Change in net pension liability	(209,329)	
Change in deferred pension inflows	<u>13,585</u>	15,991
<p>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</p>		
Principal payments on bonds payable	145,000	
Principal payments on capital leases	30,000	
Change in accrued interest payable	7,454	
Amortization of premiums and discounts	13,590	
Change in accrued compensated absences	<u>(15,158)</u>	<u>180,886</u>
Change in Net Position - Governmental Activities		<u>\$ 2,345,721</u>

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

CITY OF IDAHO SPRINGS, COLORADO

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	<u>Business-type Activities</u>			
	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>	<u>2019</u>	<u>2018</u>
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	\$ 464,842	\$ (464,842)	\$ -	\$ (346,117)
Restricted Cash and Investments	141,787	161,098	302,885	398,099
Receivables				
Utility Receivable	245,520	218,088	463,608	390,726
Cash with Fiscal Agent	-	2,540,486	2,540,486	-
Internal Balances	(86,983)	(2,727,494)	(2,814,477)	(600,720)
Total Current Assets	<u>765,166</u>	<u>(272,664)</u>	<u>492,502</u>	<u>(158,012)</u>
Noncurrent Assets				
Capital Assets not being depreciated	23,671	4,658,641	4,682,312	1,544,827
Capital Assets being depreciated	13,330,822	10,046,914	23,377,736	22,129,357
Accumulated Depreciation	(8,224,299)	(6,103,444)	(14,327,743)	(13,726,108)
Total Noncurrent Assets	<u>5,130,194</u>	<u>8,602,111</u>	<u>13,732,305</u>	<u>9,948,076</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 5,895,360</u>	<u>\$ 8,329,447</u>	<u>\$ 14,224,807</u>	<u>\$ 9,790,064</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 9,456	\$ 269,941	\$ 279,397	\$ 89,248
Accrued Salaries and Benefits	4,990	4,990	9,980	8,644
Retainage Payable	-	147,883	147,883	20,986
Accrued Interest Payable	28,655	-	28,655	30,635
Total Current Liabilities	<u>43,101</u>	<u>422,814</u>	<u>465,915</u>	<u>149,513</u>
Noncurrent Liabilities				
Due within one year	178,119	54,866	232,985	170,764
Due in more than one year	968,882	3,545,134	4,514,016	1,144,721
Total Noncurrent Liabilities	<u>1,147,001</u>	<u>3,600,000</u>	<u>4,747,001</u>	<u>1,315,485</u>
TOTAL LIABILITIES	<u>1,190,102</u>	<u>4,022,814</u>	<u>5,212,916</u>	<u>1,464,998</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
NET POSITION				
Net Investment in Capital Assets	3,983,193	5,002,111	8,985,304	8,632,591
Restricted Net Position	141,787	161,098	302,885	398,099
Unrestricted Net Position	580,278	(856,576)	(276,298)	(705,624)
TOTAL NET POSITION	<u>4,705,258</u>	<u>4,306,633</u>	<u>9,011,891</u>	<u>8,325,066</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 5,895,360</u>	<u>\$ 8,329,447</u>	<u>\$ 14,224,807</u>	<u>\$ 9,790,064</u>

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

CITY OF IDAHO SPRINGS, 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

	<u>Business-type Activities</u>			
	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>	<u>2019</u>	<u>2018</u>
Operating Revenues				
Utility Charges	\$ 987,126	\$ 873,219	\$ 1,860,345	\$ 1,654,747
Operating Expenses				
Collection, Transmission and Distribution	496,330	-	496,330	460,915
Production and Treatment	-	544,932	544,932	562,776
Depreciation Expense	313,479	288,156	601,635	553,903
Other Capital Outlay	3,066	812	3,878	81,938
Total Expenditures	<u>812,875</u>	<u>833,900</u>	<u>1,646,775</u>	<u>1,659,532</u>
Operating Income (Loss)	<u>174,251</u>	<u>39,319</u>	<u>213,570</u>	<u>(4,785)</u>
Other Income (Expense)				
Investment Earnings	17,586	16,253	33,839	28,802
Other Revenue	413	6,485	6,898	5,913
Interest Expense	(66,433)	(4,716)	(71,149)	(68,432)
Total Other Income (Expense)	<u>(48,434)</u>	<u>18,022</u>	<u>(30,412)</u>	<u>(33,717)</u>
Net Income (Loss) before Transfers	125,817	57,341	183,158	(38,502)
Contributed Capital				
Intergovernmental Revenue	6,665	497,002	503,667	15,602
Change in Net Position	132,482	554,343	686,825	(22,900)
Net Position, Beginning	<u>4,572,776</u>	<u>3,752,290</u>	<u>8,325,066</u>	<u>8,347,966</u>
Net Position, Ending	<u>\$ 4,705,258</u>	<u>\$ 4,306,633</u>	<u>\$ 9,011,891</u>	<u>\$ 8,325,066</u>

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

CITY OF IDAHO SPRINGS

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2019

With Comparative Totals for the Year Ended December 31, 2018

	<u>Business-type Activities</u>			
	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>	<u>2019</u>	<u>2018</u>
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 935,357	\$ 852,105	\$ 1,787,462	\$ 1,572,161
Cash Paid to Suppliers	(315,101)	(148,373)	(463,474)	(747,179)
Cash Paid to Employees	(195,089)	(195,089)	(390,178)	(371,519)
Net Cash Provided by Operating Activities	<u>425,167</u>	<u>508,643</u>	<u>933,810</u>	<u>453,463</u>
Cash Flows From Capital and Related Financing Activities:				
Loan Proceeds	-	3,600,000	3,600,000	-
Debt Principal Payments	(168,485)	-	(168,485)	(170,932)
Grant Proceeds	6,665	497,002	503,667	15,602
Interest Payments	(68,413)	(4,716)	(73,129)	(74,767)
Acquisition of Capital Assets	(292,947)	(3,966,020)	(4,258,967)	(2,064,150)
Cash Flows Used by Capital and Related Financing Activities	<u>(523,180)</u>	<u>126,266</u>	<u>(396,914)</u>	<u>(2,294,247)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash (to) from Other Funds	(12,592)	2,226,348	2,213,756	352,549
Other Revenues (Expense)	413	6,485	6,898	5,913
Tax Revenue	-	(2,540,486)	(2,540,486)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(12,179)</u>	<u>(307,653)</u>	<u>(319,832)</u>	<u>358,462</u>
Cash Flows Provided by Investing Activities:				
Interest Received	17,586	16,253	33,839	28,802
Net Increase (Decrease) in Cash	(92,606)	343,509	250,903	(1,453,520)
Cash - Beginning	699,235	(647,253)	51,982	1,505,502
Cash - Ending	<u>\$ 606,629</u>	<u>\$ (303,744)</u>	<u>\$ 302,885</u>	<u>\$ 51,982</u>
Cash				
	\$ 464,842	\$ (464,842)	\$ -	\$ (346,117)
Restricted Cash and Investments				
	141,787	161,098	302,885	398,099
Total	<u>\$ 606,629</u>	<u>\$ (303,744)</u>	<u>\$ 302,885</u>	<u>\$ 51,982</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ 174,251	\$ 39,319	\$ 213,570	\$ (4,785)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	313,479	288,156	601,635	553,903
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Utility Receivable	(51,769)	(21,114)	(72,883)	(82,586)
(Increase) Decrease in:				
Accounts Payable	(11,463)	201,613	190,150	(14,737)
Accrued Salaries and Benefits	669	669	1,338	1,668
Total Adjustments	<u>250,916</u>	<u>469,324</u>	<u>720,240</u>	<u>458,248</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 425,167</u>	<u>\$ 508,643</u>	<u>\$ 933,810</u>	<u>\$ 453,463</u>

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

CITY OF IDAHO SPRINGS, COLORADO

STATEMENT OF NET POSITION

FIDUCIARY FUNDS

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	<u>Business-type Activities</u>			
	Police Pension	Hansen's Cemetery Trust	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>	<u>2019</u>	<u>2018</u>
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Restricted Cash and Investments	\$ 3,906	\$ 9,404	\$ 13,310	\$ 11,729
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
NET POSITION				
Restricted Net Position	\$ 3,906	\$ 9,404	\$ 13,310	\$ 11,729

'See accompanying Independent Auditors' Report.

CITY OF IDAHO SPRINGS, COLORADO

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

DECEMBER 31, 2019

With Comparative Totals for December 31, 2018

	<u>Business-type Activities</u>			
	Police Pension	Hansen's Cemetery Trust	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>	<u>2019</u>	<u>2018</u>
Additions				
Transfers In	\$ 16,500	\$ -	\$ 16,500	\$ 15,500
Deductions				
Pension Benefits	14,919	-	14,919	14,919
Change in Net Position	1,581	-	1,581	581
Net Position, Beginning	2,325	9,404	11,729	11,148
Net Position, Ending	<u>\$ 3,906</u>	<u>\$ 9,404</u>	<u>\$ 13,310</u>	<u>\$ 11,729</u>

'See accompanying Independent Auditors' Report.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

HISTORY AND FUNCTION OF ORGANIZATION

The City is a political subdivision of the State of Colorado which is governed by an elected mayor and six-member City Council. The accounting policies of the City of Idaho Springs, Colorado conform to generally accepted accounting principles (GAAP) as applicable to governments. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant principles.

REPORTING ENTITY

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the Government Accounting Standards Board Codification. These criteria state that the financial reporting entity consist of (a) the primary government, (b) other organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based upon these criteria, there are no additional agencies or entities which should be included in the financial statements of the City.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

- 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and
- 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and pension trust fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, sales and use taxes, franchise fees, state shared revenues, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses 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 non-operating revenues and expenses.

In the fund financial statements, the City reports the following major governmental funds:

General Fund

The General Fund uses the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Certain service fees and non-tax revenues are recognized when received or billed. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal sources of revenues are property and sales taxes. Principal expenditures are for police protection, public works, parks and recreations and City administration.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION
(Continued)

Special Revenue Fund:

This fund accounts for revenues derived from specific taxes or other designated revenues that are legally restricted to expenditures for specific purposes. The City's special revenue fund is as follows:

Conservation Trust Fund (Nonmajor Fund)

This fund accounts for funds received through the State of Colorado Lottery/ Conservation Trust Fund program. These funds are required through state statute to be spent on parks and recreation. This is a nonmajor fund.

1% Street Sales Tax Fund

This fund is used to account for street improvements and related debt service.

Capital Project Funds:

Sales Tax Capital Improvement Fund

This fund accounts for one half of the City's sales and use tax revenues that are used to finance the acquisition, construction, and improvement of capital assets and for the related debt service.

RAMP Fund

This fund is used to account for the devolution of Colorado Boulevard from the State of Colorado and related payment for reconstruction and ongoing maintenance of the roadway.

Proprietary Funds

The City also reports the following major proprietary funds:

Water and Wastewater Funds

These funds account for the financial activities associated with the related services.

Fiduciary Funds

Additionally, the City reports fiduciary funds to account for assets held by the City in a trustee capacity for employees and organizations

CASH AND INVESTMENTS

For purposes of the statement of cash flows, cash equivalents are defined as all bank account balances and investments with maturities of thirty days or less. Investments are recorded at fair value.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION
(Continued)

PROPERTY TAXES

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the City on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding unavailable revenue (deferred inflow) are recorded at December 31. As the tax is collected in the succeeding year, the unavailable revenue is recognized as revenue and the receivable is reduced.

ACCOUNTS RECEIVABLE

Based upon a review of the existing accounts receivable, no allowance for doubtful accounts is warranted for any fund.

INVENTORY

All inventories are valued at cost using the first-in/first-out (FIFO) method in proprietary funds. Inventories of governmental funds are recorded as expenditures when purchased.

PREPAID ITEMS

Payments to vendors for services that will benefit periods beyond the year-end are recorded as prepaid items.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The City also capitalizes all acquisitions of land and buildings without a minimum. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CAPITAL ASSETS (Continued)

Property and equipment of the City is depreciated using the straight line method over the following estimated useful lives.

Infrastructure	20 - 40 years
Buildings and Improvements	15 - 40 years
Vehicles and Equipment	5 - 15 years

The City has elected to not retroactively report infrastructure.

ACCUMULATED UNPAID LEAVE (COMPENSATED ABSENCES)

Personal Time Off (PTO) accumulates at a rate based on length of employment, up to a maximum accrual in one year of 25 days. Maximum carryover is twice what is earned in one year. PTO is paid out at the regular pay rate upon termination. PTO may be used for vacation, sick leave or personal business.

It is the City's policy to permit employees to accumulate earned but unused PTO benefits. In the government-wide statements, PTO pay is accrued when incurred and reported as a liability of the governmental and business-type activities. In the governmental funds, PTO pay that is expected to be liquidated with expendable, available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable, available financial resources are not reported as expenditures but are reported as long term liabilities in the governmental activity presentation.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund type 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. Bond premiums and discounts are amortized over the life of the bonds.

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

INTERFUND TRANSACTIONS

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year-end, outstanding balances between funds are reported as internal balances. All amounts moved between funds, either as routine or non-routine, are reported as transfers in or out.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element 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 City reports deferred inflows related to taxes levied in 2019 to be collected in 2020.

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 balances 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. The City currently has no committed funds.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are 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. The City currently has no assigned fund balances.

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

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETS AND BUDGETARY ACCOUNTING

All funds must have budgets to be allowed expenditures. Budgets for all funds except proprietary funds are adopted on a basis consistent with generally accepted accounting principles. The proprietary funds are prepared on the accrual basis of accounting excluding depreciation expense. All annual appropriations lapse at year end.

By August 25 the County Assessor forwards certification of assessed valuation to the City. On or before October 1, departments must submit to the budget officer an estimate of their expenditure requirements and their estimated revenue for the ensuing budget year. The budget officer shall prepare and submit to the City Council a proposed budget by October 15. Upon receipt of the proposed budget, the City Council shall publish a notice showing the proposed budget is open for inspection by the public and the date the City will consider adoption of such proposed budget.

By December 15, the City Council certifies to County Commissioners the mill levy against the assessed valuation.

Final adoption and an ordinance or resolution making appropriations is due by December 31 and submitted to division of local government within 30 days.

Expenditures may not legally exceed budgeted appropriations at the fund level.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 3: CASH AND INVESTMENTS

A summary of deposits and investments as of December 31, 2019 is as follows:

Petty Cash	\$ 1,415
Cash Deposits	3,072,590
Investments	<u>4,660,346</u>
Total Cash and Investments	<u>\$ 7,734,351</u>

This balance is presented in the financial statements as follows:

Cash and Investments	\$ 5,671,113
Restricted Cash and Investments	2,049,928
Fiduciary Cash and Investments	<u>13,310</u>
Total Cash and Investments	<u>\$ 7,734,351</u>

DEPOSITS

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The City's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations.

Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2019, all of the City's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

Deposits at December 31, 2019 were as follows:

	Bank Balance	Book Balance
FDIC Insured	\$ 500,000	\$ 500,000
PDPA Collateralized not in City's Name	<u>3,217,861</u>	<u>3,072,590</u>
Total Cash Deposits	<u>\$ 3,717,861</u>	<u>\$ 3,572,590</u>

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 3: CASH AND INVESTMENTS

INVESTMENTS (Continued)

Credit Risk

Colorado statutes specify which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of the 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
- Guaranteed investment contracts

The City does not have an investment policy that would further limit its investment choices.

Credit Risk

For the year ended December 31, 2019, the City had invested \$4,660,346 in the Colorado Government Liquid Asset Trust (COLOTRUST) and in the Colorado Surplus Asset Fund Trust (CSAFE); investment vehicles established for local government entities in Colorado to pool surplus funds and are registered with the State Securities Commissioner. The pools operated similarly to a money market fund and each share value is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. Colotrust and CSAFE are both rated AAAM by Standard and Poor's.

Concentration of Credit Risk

The City places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in the statutes. The City's investment portfolio contains no investments that exceed that limitation.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 3: CASH AND INVESTMENTS (Continued)

INVESTMENTS (Continued)

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2019, the City's custodial credit risk is related to the investments in Colotrust and CSAFE,

RESTRICTED CASH

The City has restricted cash and set aside equity as follows:

Restricted - Cemetery	\$ 100,751
Restricted - Conservation Trust	59,983
Restricted - Colorado Blvd Project	793,578
Restricted - Street Bond Fund	792,731
Restricted - Water Fund O&M Reserve	141,787
Restricted - Wastewater Fund O&M Reserve	<u>161,098</u>
Total Restricted Cash and Investments	<u>\$ 2,049,928</u>

NOTE 4: CAPITAL ASSETS

A summary of the City's governmental capital asset transactions for the year are as follows:

Governmental Activities

	<u>Balance</u> <u>12/31/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2019</u>
Capital Assets Not Being Depreciated				
Land	\$ 3,268,179	\$ 187,442	\$ -	\$ 3,455,621
Water Rights	8,000	-	-	8,000
Construction in Progress	<u>3,343,478</u>	<u>61,412</u>	<u>3,098,958</u>	<u>305,932</u>
Total Capital Assets Not Being Depreciated	<u>6,619,657</u>	<u>248,854</u>	<u>3,098,958</u>	<u>3,769,553</u>
Capital Assets Being Depreciated				
Buildings	1,713,653	568,639	-	2,282,292
Improvements Other Than Buildings	23,690,279	12,060,788	-	35,751,067
Equipment	<u>2,265,484</u>	<u>139,658</u>	<u>-</u>	<u>2,405,142</u>
Total Capital Assets Being Depreciated	<u>27,669,416</u>	<u>12,769,085</u>	<u>-</u>	<u>40,438,501</u>
Accumulated Depreciation				
Buildings	(936,059)	(33,621)	-	(969,680)
Improvements Other Than Buildings	(1,799,251)	(1,792,215)	-	(3,591,466)
Equipment	<u>(1,800,321)</u>	<u>(136,853)</u>	<u>-</u>	<u>(1,937,174)</u>
Total Accumulated Depreciation	<u>(4,535,631)</u>	<u>(1,962,689)</u>	<u>-</u>	<u>(6,498,320)</u>
Net Governmental Capital Assets	<u>\$ 29,753,442</u>	<u>\$ 11,055,250</u>	<u>\$ 3,098,958</u>	<u>\$ 37,709,734</u>

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 4: CAPITAL ASSETS Continued

Depreciation has been allocated to the various governmental functions as follows:

General Government	\$ 32,687
Public Safety	52,873
Public Works	1,748,644
Parks, Recreation and Other	128,484
Total Depreciation	<u>\$ 1,962,688</u>

A summary of the City's business-type capital asset transactions for the year are as follows:

Business-type Activities

	<u>Balance 12/31/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2019</u>
Capital Assets Not Being Depreciated				
Land - Water	\$ 13,231	\$ -	\$ -	\$ 13,231
Land - Wastewater	429,448	187,441	-	616,889
Water Rights	10,440	-	-	10,440
Construction in Progress - Wastewater	525,301	3,516,451	-	4,041,752
Construction in Progress - Water	566,406	-	566,406	-
Total Capital Assets Not Being Depreciated	<u>1,544,826</u>	<u>3,703,892</u>	<u>566,406</u>	<u>4,682,312</u>
Capital Assets Being Depreciated				
Improvements Other Than Buildings - Water	12,090,536	813,904	-	12,904,440
Improvements Other Than Buildings - Wastewater	9,295,416	353,864	-	9,649,280
Equipment - Water	380,934	45,449	-	426,383
Equipment - Wastewater	362,471	35,162	-	397,633
Total Capital Assets Being Depreciated	<u>22,129,357</u>	<u>1,248,379</u>	<u>-</u>	<u>23,377,736</u>
Accumulated Depreciation				
Improvements Other Than Buildings - Water	(7,696,941)	(285,723)	-	(7,982,664)
Improvements Other Than Buildings - Wastewater	(5,554,515)	(259,017)	-	(5,813,532)
Equipment - Water	(213,879)	(27,755)	-	(241,634)
Equipment - Wastewater	(260,773)	(29,140)	-	(289,913)
Total Accumulated Depreciation	<u>(13,726,108)</u>	<u>(601,635)</u>	<u>-</u>	<u>(14,327,743)</u>
Net Business-type Capital Assets	<u>\$ 9,948,075</u>	<u>\$ 4,350,636</u>	<u>\$ 566,406</u>	<u>\$ 13,732,305</u>

Depreciation has been allocated to the various business-type activities as follows:

Water	\$ 313,479
Wastewater	288,156
Total Depreciation	<u>\$ 601,635</u>

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 5: INTERNAL BALANCES AND TRANSFERS

The City made the following routine transfers during the year:

	Transfers	
	<u>To</u>	<u>From</u>
General Fund	\$ 25,000	\$ 16,500
RAMP	-	250,000
Sales Tax Improvement Fund	250,000	25,000
Police Pension	<u>16,500</u>	<u>-</u>
	<u>\$ 291,500</u>	<u>\$ 291,500</u>

Advances

The General Fund, through normal operation and its stormwater function, as well as the Sales Tax Improvement Fund loaned funds to the Water and Wastewater Funds during fiscal year 2005. During 2019, the Sales Tax Improvement Fund loaned an additional \$187,441 to the Wastewater Fund related to property acquisition and \$2,054,297 for construction related cash flows. The 2005 loans are being repaid in semiannual installments with interest accruing at 4%. The new Sales Tax/Wastewater loans do not bear interest. Outstanding balances at December 31, 2019 were as follows:

	Advance	
	<u>To</u>	<u>From</u>
<u>General Fund</u>		
2005 Advance to Water	\$ 86,983	\$ -
2005 Advance to Wastewater	15,464	-
<u>Sales Tax Improvement Fund</u>		
2005 Advance to Wastewater	90,849	-
2018 Advance to Wastewater	379,443	-
2019 Advance to Wastewater	2,241,738	-
<u>Water Fund</u>		
2005 Advance from General Fund	-	86,983
<u>Wastewater Fund</u>		
2005 Advance from General Fund	-	15,464
2005 Advance from Sales Tax Imp. Fund	-	90,849
2018 Advance from Sales Tax Imp. Fund	-	379,443
2019 Advance from Sales Tax Imp. Fund	<u>-</u>	<u>2,241,738</u>
	<u>\$ 2,814,477</u>	<u>\$ 2,814,477</u>

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 6: LONG-TERM DEBT

GOVERNMENTAL ACTIVITIES

Changes in governmental activities long-term debt are as follows:

	<u>Balance</u> <u>12/31/2018</u>	<u>Advances</u>	<u>Repayments</u>	<u>Balance</u> <u>12/31/2019</u>	<u>Current</u> <u>Portion</u>
<u>Governmental Activities</u>					
2018 Street Sales Tax Revenue Bonds	\$ 9,795,000	\$ -	\$ 145,000	\$ 9,650,000	\$ 175,000
Bond Premium	859,244	-	13,590	845,654	57,345
Capital Lease Payable	50,000	-	30,000	20,000	20,000
Accrued Compensated Absences	79,206	15,158	-	94,364	-
FPPA Net Pension Liability	(117,046)	209,329	-	92,283	-
Total Governmental-type Activities	<u>\$ 10,666,404</u>	<u>\$ 224,487</u>	<u>\$ 188,590</u>	<u>\$ 10,702,301</u>	<u>\$ 252,345</u>

2018 Street Sales Tax Revenue Bonds

On December 1, 2018 the City was issued \$9,875,000 in Sales Tax Revenue Bonds for improvement to the city's streets through a newly established 1% Street Sales Tax Fund. The bonds are payable in 47 annual installments ranging from \$182,688 to \$778,866 including interest ranging from 2.00% to 5.00% through December 2041. The bonds contain a reserve account requirement of the lessor of i) (10% of the principal amount of the issued Bonds, ii) 100% of the maximum annual debt service requirements on the Bonds, or iii) 125% of the average annual debt service requirements on the Bonds. Over the life of the bonds, the maximum annual debt service is the lowest of the three amounts at \$792,731. The City has established that the reserve in the bonds are secured by net revenues derived from pledged Sale Tax. Future debt service payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 175,000	\$ 427,513	\$ 602,513
2021	205,000	420,513	625,513
2022	220,000	412,313	632,313
2023	240,000	403,513	643,513
2024	250,000	393,913	643,913
2025-2029	1,595,000	1,824,563	3,419,563
2030-2034	2,290,000	1,376,563	3,666,563
2035-2039	3,175,000	718,313	3,893,313
2040-2041	1,500,000	82,102	1,582,102
Total	<u>\$ 9,650,000</u>	<u>\$ 6,059,306</u>	<u>\$ 15,709,306</u>

In October 2015, the City entered into a lease agreement for the purchase of real property. The lease requires 60 monthly payments of \$2,500 commencing November 1, 2015. The lease does not bear interest. The property has been capitalized as a land investment with a value of \$150,000. In the event of default the lessor may take one or any combination of the following remedial steps: terminate the lease giving notice to the City to vacate and surrender possession of the leased property within ten business days of such notice; proceed to foreclose through the courts on or otherwise sell, trade-in, repossess or liquidate leased property; recover from the City the portion of base rentals and additional rentals which would otherwise have been payable hereunder. During any period in which the City occupy, use or possess the leased property, the lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the leased property with the lessee agreeing to pay such attorney's fees and expenses which may be determined to be reasonable by a court of competent jurisdiction.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 6: LONG-TERM DEBT (Continued)

GOVERNMENTAL ACTIVITIES (Continued)

Payments are due as follows:

<u>Year</u>	<u>Total</u>
2020	\$ 20,000
Total Future Minimum Lease Payments	20,000
Less: Interest at 0%	-
Present Value of Lease Payments	<u>\$ 20,000</u>

BUSINESS-TYPE ACTIVITIES

Changes in business-type activity long-term debt are as follows:

	<u>Balance</u> <u>12/31/2018</u>	<u>Advances</u>	<u>Repayments</u>	<u>Balance</u> <u>12/31/2019</u>	<u>Current</u> <u>Portion</u>
<u>Business-type Activities</u>					
2000 CWCB Note - Water	\$ 644,827	\$ -	\$ 29,882	\$ 614,945	\$ 31,377
2002 CWCB Note - Water	103,602	-	6,472	97,129	9,107
2002 CWRPDA Note - Water	567,057	-	132,130	434,927	137,635
2019 CWRPDA Note - Wastewater	-	3,000,000	-	3,000,000	54,866
2018 CDPHE Note - Wastewater	-	300,000	-	300,000	-
2019 CDPHE Note - Wastewater	-	300,000	-	300,000	-
Advance from Other Funds - Water (Note 5)	99,575	-	12,592	86,983	13,100
Advance from Other Funds - Wastewater (Note 5)	501,145	2,241,738	15,389	2,727,494	16,012
Total Business-type Activities	<u>\$ 1,916,206</u>	<u>\$ 5,841,738</u>	<u>\$ 196,465</u>	<u>\$ 7,561,478</u>	<u>\$ 262,097</u>

2000 Colorado Water Conservation Board Note Payable

On December 20, 2000, the City entered into a \$955,000 loan agreement with the Colorado Water Resource and Power Development Authority for improvement to its water system. The note is payable in 31 annual installments of \$62,124, including interest at 5%. The note is secured by the net revenues of the combined water and wastewater system.

2002 Colorado Water Conservation Board Note Payable

On March 1, 2002, the City amended the 2000 CWCB note payable to borrow an additional \$210,000. The note is payable in 25 annual installments of \$14,449, including interest at 5.5%. The note is secured by the net revenues of the combined water and wastewater system.

2002 Colorado Water Resources and Power Development Authority Note Payable

On April 1, 2002, the City entered into a \$2,339,797 loan agreement with the Colorado Water Resource and Power Development Authority for improvement to its water system. The note is payable in 41 semi-annual installments of ranging from \$29,291 to \$85,484, including interest at 3.99% through August 2022. The note is secured by the net revenues of the combined water and wastewater system.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 6: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

Future debt service on the Water Fund business-type activities loans is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 178,119	\$ 52,839	\$ 230,958
2021	185,694	46,024	231,718
2022	198,881	28,166	227,047
2023	47,017	29,557	76,573
2024	49,421	27,152	76,573
2025-2029	267,580	95,455	363,035
2030-2033	218,009	28,209	248,496
Total	<u>\$ 1,144,721</u>	<u>\$ 307,402</u>	<u>\$ 1,454,400</u>

2019 Colorado Water Resources and Power Development Authority Note Payable

On April 1, 2019, the City entered into a \$3,000,000 loan agreement with the Colorado Water Resource and Power Development Authority for improvement to its sewer system. The note is payable in 59 semi-annual installments of \$54,612, including interest at 0.50% through November 2049. The note is secured by the net revenues of the combined water and wastewater system.

Future debt service payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 54,866	\$ 8,731	\$ 63,597
2021	94,616	14,608	109,224
2022	95,090	14,134	109,224
2023	95,566	13,658	109,224
2024	96,044	13,179	109,223
2025-2029	487,482	58,636	546,118
2030-2034	499,807	46,311	546,118
2035-2039	512,444	33,675	546,119
2040-2044	525,400	20,718	546,118
2045-2049	538,685	7,435	546,120
Total	<u>\$ 3,000,000</u>	<u>\$ 231,085</u>	<u>\$ 3,231,085</u>

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 6: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

Coverage for the rate maintenance agreement and calculation of the three-month operation reserve requirement is as follows:

	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
Gross Charges for Services	\$ 987,126	\$ 873,219	\$ 1,860,346
<u>Operating Expenses</u>			
Transmission and Distribution	496,330	-	496,330
Wastewater Treatment	-	544,932	544,932
Water Treatment	3,066	812	3,877
Total Operating Expenses	<u>499,396</u>	<u>545,743</u>	<u>1,045,140</u>
Net Operating Revenues	<u>487,730</u>	<u>327,476</u>	<u>815,206</u>
<u>Debt Service</u>			
2000 CWCB Water Loan	62,124	-	62,124
2002 CWCB Water Loan	14,449	-	14,449
2002 CWRPDA Loan	156,466	-	156,466
Total Debt Service	<u>233,039</u>	<u>-</u>	<u>233,039</u>
Debt Coverage Ratio 110%	<u>256,343</u>	<u>-</u>	<u>256,343</u>
Excess (Shortfall)	<u>\$ 231,387</u>	<u>\$ 327,476</u>	<u>\$ 558,863</u>
Beginning Rate Stabilization	<u>681,251</u>	<u>240,180</u>	<u>921,431</u>
Ending Rate Stabilization	<u>\$ 912,638</u>	<u>\$ 567,656</u>	<u>\$ 1,480,294</u>
2020 Operating Budget	<u>\$ 567,149</u>	<u>\$ 644,392</u>	<u>\$ 1,211,541</u>
3 Month Required O & M Reserve	<u>\$ 141,787</u>	<u>\$ 161,098</u>	<u>\$ 302,885</u>

2018 Colorado Water Resources and Power Development Authority Note Payable

On December 4, 2018, the City entered into a \$300,000 loan agreement with the Colorado Water Resource and Power Development Authority for improvement to its sewer system. At loan closing, the Authority shall forgive 100% of the principal amount of the loan.

2019 Colorado Water Resources and Power Development Authority Note Payable

On May 7, 2019, the City entered into a \$300,000 loan agreement with the Colorado Water Resource and Power Development Authority for improvement to its sewer system. At loan closing, the Authority shall forgive 100% of the principal amount of the loan.

NOTE 7: RETIREMENT COMMITMENTS

STATEWIDE DEFINED BENEFIT PLAN (FPPA)

Summary of Significant Accounting Policies

Pensions. The City participates in the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire & Police Pension Association of Colorado ("FPPA"). The net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB have been determined using the accrual basis of accounting as required by the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the City are provided with pensions through the Statewide Defined Benefit Plan (SWDB) - a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), rules and regulations codified by the Fire and Police Pension Association, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report, the most recent of which is for the fiscal year ended December 31, 2018, that can be obtained at <http://www.FPPAco.org>.

Benefits provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

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

NOTE 7: RETIREMENT COMMITMENTS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan (Continued)

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

Contributions. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

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

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 22 percent of base salary in 2018. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the reentry group also had their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The contribution rate for members and employers of affiliated social security employers is 5 percent and 4 percent, respectively, of base salary for a total contribution rate of 8 percent in 2018. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022. The City is not an affiliated social security employer.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 7: RETIREMENT COMMITMENTS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan (Continued)

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to FPPA. Employer contributions recognized by the FPPA from the City were \$39,116 for the plan year ended December 31, 2018 and \$42,390 for the fiscal year ended December 31, 2019. The current year contributions will be expensed in 2020 for FPPA purposes, December 31, 2019 employer contributions for reporting as of December 31, 2020, and are a timing difference at year end.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the City reported a liability of \$92,283 for its proportionate share of the SWDB’s net pension liability. The net pension asset or liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. The City’s proportion of the net pension liability was based on City’s contributions to the SWDB for the calendar year 2018 relative to the total contributions of participating employers to the SWDB.

At December 31, 2019, the City’s proportion was .07299%, which was a decrease of .00836% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2019, the City recognized pension expense of \$8,648. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 124,400	\$ (1,026)
Changes of assumptions or other inputs	\$ 87,889	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 135,325	\$ (70,595)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 24,547	\$ (13,129)
Contributions subsequent to the measurement date	\$ 42,390	\$ -
Total	\$ 414,551	\$ (84,750)

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 7: RETIREMENT COMMITMENTS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$42,390 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an adjustment of the net pension asset in the year ended December 31, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Fiscal year Total
2020	\$ 51,052
2021	37,548
2022	31,406
2023	54,937
2024	27,553
2025-2028	84,915
Total	\$ 287,411

Actuarial assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial method	Entry Age Normal
Amortization method	Level % of Payroll, Open
Amortization period	30 Years
Long-term investment rate of return, net of pension plan	7.50%
Salary increase, including wage inflation	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.00%
* Includes inflation at	2.50%

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

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

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 7: RETIREMENT COMMITMENTS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

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

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

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

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 7: RETIREMENT COMMITMENTS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension asset (liability)	\$ (357,864)	\$ (92,283)	\$ 128,011

Police Pension (City)

The City sponsors and administers a police pension plan, having one participant at December 31, 2019. No independent actuarial study has been made. However, alternative methods were used to determine that no amounts were due as of December 31, 2019.

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all non-FPPA City employees and permits them to defer a portion of their salary until future years. The City matches employee contributions up to 5% of eligible salary. During the year ended December 31, 2019, the City's contributions were \$57,189, equal to the required contribution. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 8: FUND BALANCE/NET POSITION RESERVES/RESTRICTIONS

TAX SPENDING AND DEBT LIMITATIONS

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts.

The City's financial activity for the year ended December 31, 2019 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth. Subsequent to December 31, 1992, revenue in excess of the City's "spending limit" must be refunded unless voters approve the retaining of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases and new debt.

At a November 4, 2008 election, the residents voted to authorize the City to retain all revenues, in excess of TABOR and statutory limits from all sources in 2008 and subsequent years, and spend the same for streets, curbs and gutters, water and sewer utilities under said streets, drainage and asphalt associated with said street work.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance. The City's management believes it is in compliance with the TABOR amendment.

The Article requires an emergency reserve be set aside for 2019 in the amount of 3% or more of its fiscal year spending. At December 31, 2019, the City has reserved/restricted the following for emergencies:

General Fund	\$ 175,000
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Other Restrictions and Commitments

The City has restricted or committed other amounts as further described in Note 3.

Deficit Net Position

The City has a deficit unrestricted net position in the Wastewater Fund primarily related to the construction of the new Wastewater Treatment Plant. The deficit will be recovered through future grant reimbursement requests and anticipated loan forgiveness. Upon completion of those activities, the City will determine if additional internal transfers are required.

CITY OF IDAHO SPRINGS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 9: COMMITMENTS AND CONTINGENCIES

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of the City, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2019.

NOTE 10: RISK MANAGEMENT

The City of Idaho Springs, Colorado carries insurance coverage for all foreseeable risks of loss. These include, but are not necessarily limited to, worker's compensation, property and liability, bond, and errors and omissions.

The City of Idaho Springs, Colorado carries property, liability and bond coverage through Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability property, and workers' compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, and member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the City does not approve budgets nor does it have the ability to significantly affect the operations of the entity.

NOTE 11: BUDGET VIOLATIONS

The City's RAMP Fund expenditures exceeded appropriations by \$28,723 respectively, which may be a violation of Colorado Statutes.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF IDAHO SPRINGS

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
 NET PENSION ASSET (LIABILITY)
 FPPA Pension Plan
 Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>City's proportion of the net pension asset (liability)</u>	<u>City's proportionate share of the net pension asset (liability)</u>	<u>City's covered payroll</u>	<u>City's proportionate share of the net pension asset (liability) as a proportion of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
12/31/2019	0.0729932%	\$ (92,283)	\$ 488,950	-18.87%	95.23%
12/31/2018	0.0813581%	\$ 117,046	\$ 475,888	24.60%	106.34%
12/31/2017	0.0797702%	\$ (28,824)	\$ 408,250	-7.06%	98.21%
12/31/2016	0.0650434%	\$ 1,147	\$ 315,313	0.36%	100.10%
12/31/2015	0.0759443%	\$ 85,709	\$ 341,525	25.10%	106.83%
12/31/2014	0.0765623%	\$ 68,461	\$ 332,538	20.59%	105.83%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

CITY OF IDAHO SPRINGS

SCHEDULE OF DISTRICT CONTRIBUTIONS

FPPA Pension Plan

Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>City's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
12/31/2019	\$ 39,116	\$ 39,116	\$ -	\$ 488,950	8.00%
12/31/2018	\$ 38,071	\$ 38,071	\$ -	\$ 475,888	8.00%
12/31/2017	\$ 32,660	\$ 32,660	\$ -	\$ 408,250	8.00%
12/31/2016	\$ 25,225	\$ 25,225	\$ -	\$ 315,313	8.00%
12/31/2015	\$ 27,322	\$ 27,322	\$ -	\$ 341,525	8.00%
12/31/2014	\$ 26,603	\$ 26,603	\$ -	\$ 332,538	8.00%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

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REQUIRED SUPPLEMENTARY INFORMATION
(Pension Scheduled Unaudited)

CITY OF IDAHO SPRINGS, 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 Actual
	Original & Final Budget	Actual		
REVENUES				
Taxes				
Property Taxes	\$ 155,648	\$ 155,648	\$ -	\$ 156,178
Specific Ownership Taxes	12,213	16,985	4,772	13,270
Sales Taxes	1,478,651	1,660,546	181,895	1,506,646
Franchise Taxes	84,054	92,770	8,716	83,479
Total Tax Revenue	1,730,566	1,925,949	195,383	1,759,573
Intergovernmental Revenues				
Cigarette Taxes	6,400	5,498	(902)	5,896
Highway Users	69,854	85,018	15,164	86,697
Road and Bridge	66,584	70,917	4,333	71,159
Clerk/Motor Vehicle Fees	8,500	8,621	121	8,767
Severance Tax	60,000	88,660	28,660	59,608
State Grants	23,000	40,704	17,704	-
Total Intergovernmental Revenue	234,338	299,418	65,080	232,127
Licenses and Permits				
Liquor Licenses	7,795	9,338	1,543	7,020
Building Permits	12,362	124,105	111,743	13,656
Annexation/Other P&Z Fees	5,172	1,220	(3,952)	3,483
Business Licenses	20,453	25,893	5,440	22,553
Other Licenses	19,894	29,449	9,555	20,476
Total Licenses and Permits	65,676	190,005	124,329	67,188
Fines and Forfeits	172,171	143,569	(28,602)	173,000
Charges for Services				
Rents	79,954	68,544	(11,410)	76,261
Other Charges for Services	2,926	3,797	871	3,891
Total Charges for Services	82,880	72,341	(10,539)	80,152
Investment Earnings	38,702	35,320	(3,382)	30,286
Other Revenues				
Reimbursements and Refunds	10,606	16,927	6,321	4,442
Donations	1,500	6,000	4,500	750
Other Miscellaneous Revenue	16,819	45,862	29,043	9,024
Total Other Revenue	28,925	68,789	39,864	14,216
TOTAL REVENUES	2,353,258	2,735,391	382,133	2,356,542

See accompanying Independent Auditors' Report.

(Continued)

CITY OF IDAHO SPRINGS, 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 Actual
	Original & Final Budget	Actual		
(Continued)				
EXPENDITURES				
General Government				
Administrator/Manager	648,156	681,121	(32,965)	609,567
Economic Development	114,170	117,194	(3,024)	92,357
Total General Government	762,326	798,315	(35,989)	701,924
Public Safety				
Police	1,154,433	1,085,172	69,261	1,051,795
Fire	113,440	113,440	-	117,500
Municipal Court	57,768	55,554	2,214	58,732
Code Enforcement	26,000	103,084	(77,084)	11,710
Total Public Safety	1,351,641	1,357,250	(5,609)	1,239,737
Public Works				
Streets	488,916	423,874	65,042	399,978
Parks, Recreation and Other				
Parks	144,100	125,282	18,818	96,765
Cemetery	8,000	1,055	6,945	5,495
Total Parks, Recreation & Other	152,100	126,337	25,763	102,260
Capital Outlay				
General Government Capital Outlay	8,000	11,082	(3,082)	10,486
Public Safety Capital Outlay	4,200	4,849	(649)	4,712
Public Works Capital Outlay	5,500	590	4,910	5,340
Parks, Recreation and Other Capital Outlay	5,000	4,085	915	-
Other Capital Outlay	175,000	172,265	2,735	27,755
Total Capital Outlay	197,700	192,871	4,829	48,293
TOTAL EXPENDITURES	2,952,683	2,898,647	54,036	2,492,192
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(599,425)	(163,256)	436,169	(135,650)
OTHER FINANCING SOURCES (USES)				
Transfers In	8,500	8,500	-	9,500
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (590,925)</u>	<u>(154,756)</u>	<u>\$ 436,169</u>	<u>(126,150)</u>
FUND BALANCE, BEGINNING		2,490,696		2,616,846
FUND BALANCE, ENDING		<u>\$ 2,335,940</u>		<u>\$ 2,490,696</u>

See accompanying Independent Auditors' Report.

CITY OF IDAHO SPRINGS, COLORADO

BUDGETARY COMPARISON SCHEDULE

1% Street Sales Tax Fund

FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Original & Final Budget	Actual	
REVENUES			
Taxes			
Sales Taxes	\$ 650,064	\$ 749,038	\$ 98,974
Intergovernmental Revenues			
State Grants	-	266,010	266,010
Investment Earnings	100,000	132,907	32,907
TOTAL REVENUES	750,064	1,147,955	397,891
EXPENDITURES			
General Government			
Administrator/Manager	-	250	250
Capital Outlay			
Public Works Capital Outlay	9,258,940	6,631,453	2,627,487
Debt Service			
Principal	150,000	145,000	5,000
Interest	436,950	433,313	3,637
Total Debt Service	586,950	578,313	8,637
Contingency Reserve	1,294,010	-	1,294,010
TOTAL EXPENDITURES	11,139,900	7,210,016	3,930,384
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(10,389,836)	(6,062,061)	4,328,275
OTHER FINANCING SOURCES (USES)			
Debt Proceeds	8,568,345	-	8,568,345
Transfers In	175,000	-	175,000
TOTAL OTHER FINANCING SOURCES (USES)	8,743,345	-	8,743,345
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (1,646,491)	(6,062,061)	\$ (4,415,070)
Budget to GAAP Basis Reconciliation			
Debt Proceeds		-	(10,747,834)
Capital Outlay		-	10,747,834
NET CHANGE IN FUND BALANCE - GAAP BASIS		(6,062,061)	8,473,861
FUND BALANCE, BEGINNING		8,473,861	-
FUND BALANCE, ENDING		\$ 2,411,800	\$ 8,473,861

See accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

CITY OF IDAHO SPRINGS, COLORADO

BUDGETARY COMPARISON SCHEDULE

RAMP 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
REVENUES				
Investment Earnings	\$ 15,000	\$ 4,611	\$ (10,389)	\$ 45,213
Other Revenues				
Other Miscellaneous Revenue	-	-	-	665,232
TOTAL REVENUES	<u>15,000</u>	<u>4,611</u>	<u>(10,389)</u>	<u>710,445</u>
EXPENDITURES				
Capital Outlay				
Public Works Capital Outlay	-	303,568	(303,568)	4,380,462
Contingency Reserve	<u>274,845</u>	<u>-</u>	<u>274,845</u>	<u>-</u>
TOTAL EXPENDITURES	<u>274,845</u>	<u>303,568</u>	<u>(28,723)</u>	<u>4,380,462</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(259,845)	(298,957)	(39,112)	(3,670,017)
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (509,845)</u>	<u>(548,957)</u>	<u>\$ (39,112)</u>	<u>(3,670,017)</u>
FUND BALANCE, BEGINNING		<u>1,342,535</u>		<u>5,012,552</u>
FUND BALANCE, ENDING		<u>\$ 793,578</u>		<u>\$ 1,342,535</u>

See accompanying Independent Auditors' Report.

CITY OF IDAHO SPRINGS, COLORADO

BUDGETARY COMPARISON SCHEDULE

Sales Tax 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 Actual
	Original & Final Budget	Actual		
REVENUES				
Taxes				
Sales Taxes	\$ 644,386	\$ 789,848	\$ 145,462	\$ 718,406
Intergovernmental Revenues				
State Grants	3,005,000	2,657,070	(347,930)	129,039
Other Intergovernmental	25,000	-	(25,000)	7,022
Total Intergovernmental Revenue	<u>3,030,000</u>	<u>2,657,070</u>	<u>(372,930)</u>	<u>136,061</u>
Charges for Services				
Parking Revenue	-	111,949	111,949	-
Investment Earnings	<u>24,693</u>	<u>21,616</u>	<u>(3,077)</u>	<u>18,891</u>
Other Revenues				
Sale of Capital Assets	30,000	44,910	14,910	-
TOTAL REVENUES	<u>3,729,079</u>	<u>3,625,393</u>	<u>(103,686)</u>	<u>873,358</u>
EXPENDITURES				
Capital Outlay				
General Government Capital Outlay	1,317,000	486,695	830,305	472,726
Public Safety Capital Outlay	573,000	158,212	414,788	370,005
Public Works Capital Outlay	95,000	58,745	36,255	362,887
Parks, Recreation and Other Capital Outlay	3,040,000	2,173,340	866,660	209,803
Total Capital Outlay	<u>5,025,000</u>	<u>2,876,992</u>	<u>2,148,008</u>	<u>1,415,421</u>
Debt Service				
Principal	-	30,000	(30,000)	32,500
Contingency Reserve	<u>487,226</u>	<u>-</u>	<u>487,226</u>	<u>-</u>
TOTAL EXPENDITURES	<u>5,512,226</u>	<u>2,906,992</u>	<u>2,605,234</u>	<u>1,447,921</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(1,783,147)	718,401	2,501,548	(574,563)
OTHER FINANCING SOURCES (USES)				
Transfers In	250,000	250,000	-	-
Transfers (Out)	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>(25,000)</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (1,558,147)</u>	943,401	<u>\$ 2,501,548</u>	(599,563)
FUND BALANCE, BEGINNING		<u>3,510,898</u>		<u>4,110,461</u>
FUND BALANCE, ENDING		<u>\$ 4,454,299</u>		<u>\$ 3,510,898</u>

See accompanying Independent Auditors' Report.

CITY OF IDAHO SPRINGS, COLORADO

BUDGETARY COMPARISON SCHEDULE

Nonmajor 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
	Final Budget	Actual		Actual
REVENUES				
Intergovernmental Revenues				
Cons Trust Fund Revenue	\$ 9,000	\$ 10,528	\$ 1,528	\$ 9,082
Investment Earnings	<u>3,532</u>	<u>4,397</u>	<u>865</u>	<u>3,588</u>
TOTAL REVENUES	<u>12,532</u>	<u>14,925</u>	<u>2,393</u>	<u>12,670</u>
EXPENDITURES				
Capital Outlay				
Parks, Recreation and Other Capital Outlay	10,000	-	10,000	-
Contingency Reserve	<u>45,449</u>	<u>-</u>	<u>45,449</u>	<u>-</u>
TOTAL EXPENDITURES	<u>55,449</u>	<u>-</u>	<u>55,449</u>	<u>-</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (42,917)</u>	<u>14,925</u>	<u>\$ 57,842</u>	<u>12,670</u>
FUND BALANCE, BEGINNING		<u>45,058</u>		<u>32,388</u>
FUND BALANCE, ENDING		<u>\$ 59,983</u>		<u>\$ 45,058</u>

See accompanying Independent Auditors' Report.

CITY OF IDAHO SPRINGS, COLORADO

**SCHEDULE 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 Actual
	Final Budget	Actual		
Operating Revenues				
Utility Charges	\$ 942,403	\$ 987,126	\$ 44,723	\$ 870,060
Operating Expenses				
Collection, Transmission and Distribution	548,322	496,330	51,992	460,915
Depreciation Expense	291,537	313,479	(21,942)	298,313
Other Capital Outlay	501,000	296,013	204,987	590,747
Contingency Reserve	892,071	-	892,071	-
Total Expenditures	2,232,930	1,105,822	1,127,108	1,349,975
Operating Income (Loss)	(1,290,527)	(118,696)	1,171,831	(479,915)
Other Income (Expense)				
Investment Earnings	13,000	17,586	4,586	14,451
Other Revenue	5,000	413	(4,587)	3,014
Debt Service	(66,622)	(247,509)	(180,887)	(246,153)
Total Other Income (Expense)	(48,622)	(229,510)	(180,888)	(228,688)
Net Income (Loss) before Transfers	(1,339,149)	(348,206)	990,943	(708,603)
Transfers				
Transfers In/(Out)	(12,103)	-	12,103	58,941
Net Income (Loss), Budget Basis	(1,351,252)	(348,206)	1,003,046	(649,662)
Contributed Capital				
Plant Investment Fees	10,000	-	(10,000)	-
Intergovernmental Revenue	10,000	6,665	(3,335)	5,602
Total Contributed Capital	20,000	6,665	(13,335)	5,602
Change in Net Position (Budget Basis)	\$ (1,331,252)	(341,541)	\$ 989,711	(644,060)
Budget to GAAP Reconciliation				
Principal Paid		181,076		183,034
Capital Outlay		292,947		586,806
Change in Net Position - GAAP Basis		132,482		125,780
Net Position, Beginning		4,572,776		4,446,996
Net Position, Ending		\$ 4,705,258		\$ 4,572,776

See accompanying Independent Auditors' Report.

CITY OF IDAHO SPRINGS, COLORADO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Wastewater 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
Operating Revenues				
Utility Charges	\$ 881,607	\$ 873,219	\$ (8,388)	\$ 784,687
Operating Expenses				
Production and Treatment	635,064	544,932	90,132	562,776
Depreciation Expense	217,790	288,156	(70,366)	255,590
Other Capital Outlay	3,715,206	4,093,729	(378,523)	2,136,846
Contingency Reserve	584,786	-	584,786	-
Total Expenditures	5,152,846	4,926,817	226,029	2,955,212
Operating Income (Loss)	(4,271,239)	(4,053,598)	217,641	(2,170,525)
Other Income (Expense)				
Investment Earnings	12,848	16,253	3,405	14,351
Other Revenue	8,000	6,485	(1,515)	2,899
Debt Service	(2,963)	2,034,191	2,037,154	(20,105)
Total Other Income (Expense)	17,885	2,056,929	2,039,044	(2,855)
Net Income (Loss) before Transfers	(4,253,354)	(1,996,669)	2,256,685	(2,173,380)
Transfers				
Transfers In/(Out)	(12,641)	-	12,641	(58,941)
Net Income (Loss), Budget Basis	(4,265,995)	(1,996,669)	2,269,326	(2,232,321)
Contributed Capital				
Plant Investment Fees	10,000	-	(10,000)	-
Intergovernmental Revenue	4,000,000	4,097,002	97,002	10,000
Total Contributed Capital	4,010,000	4,097,002	87,002	10,000
Change in Net Position (Budget Basis)	\$ (255,995)	2,100,333	\$ 2,356,328	(2,222,321)
Budget to GAAP Reconciliation				
Debt Proceeds		(3,600,000)		-
Principal Paid		(2,038,907)		14,792
Capital Outlay		4,092,917		2,058,849
Change in Net Position - GAAP Basis		554,343		(148,680)
Net Position, Beginning		3,752,290		3,900,970
Net Position, Ending		\$ 4,306,633		\$ 3,752,290

See accompanying Independent Auditors' Report.

STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Idaho Springs
		YEAR ENDING : December 2019
This Information is from the Records of the City of Idaho Springs	Prepared By: Phone:	Lorraine Trotter, Prof'l Mgmt Solutions 303-910-9197

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	6,631,453
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	259,790
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	79,057
2. General fund appropriations	0	b. Snow and ice removal	62,240
3. Other local imposts (from page 2)	766,023	c. Other	
4. Miscellaneous local receipts (from page 2)	6,289,726	d. Total (a. through c.)	141,297
5. Transfers from toll facilities		4. General administration & miscellaneous	23,152
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	359,707
a. Bonds - Original Issues		6. Total (1 through 5)	7,415,399
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	7,055,749	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	359,649	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	7,415,398	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	7,415,399

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0	0	0	0
1. Bonds (Refunding Portion)		0	0	
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	7,415,398	7,415,399	(0)	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2019	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	137,518
b. Other local imposts:		b. Traffic Fines & Penalties	126,496
1. Sales Taxes	749,038	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	16,985	g. Other Misc. Receipts Co. Rd & Bridge	70,917
6. Total (1. through 5.)	766,023	h. Other Sales Tax Anticipation Proceeds	5,954,795
c. Total (a. + b.)	766,023	i. Total (a. through h.)	6,289,726
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	85,018	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	8,621	d. Federal Transit Admin	
d. Other (Specify) DOLA Grant	266,010	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	274,631	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	359,649	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		1,075,357	1,075,357
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			
(3). System Preservation			0
(4). System Enhancement & Operation		5,556,096	5,556,096
(5). Total Construction (1) + (2) + (3) + (4)		0	5,556,096
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		0	6,631,453
			(Carry forward to page 1)
Notes and Comments:			