

City of Lamar
Lamar, Colorado

Financial Statements
with
Independent Auditor's Report

For the Year Ended
December 31, 2019

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FINANCIAL SECTION

***r*farmer, llc**
a certified public accounting and consulting firm

Independent Auditor's Report

City Council
City of Lamar
Lamar, CO 81052

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Management has elected to omit the management's discussion and analysis which is required by the Governmental Accounting Standards Board. The omission of this information does not affect our opinion.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and budgetary comparison statements and schedules listed as other supplementary information and the local highway finance report are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

rfarmer, llc

August 19, 2020

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide a financial overview of the City's operations. These financial statements present the financial position, operating results, and cash flows where applicable, of all funds and activities as of December 31, 2019.

City of Lamar, Colorado
Statement of Net Position
December 31, 2019

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Equivalents	\$ 7,101,198	\$ 14,466,934	\$ 21,568,132
Receivables	905,845	1,932,529	2,838,374
Internal Balances	384,240	(384,240)	-
Due from Other Governmental Agencies	110,001	-	110,001
Inventories	-	858,065	858,065
Other assets	200	935	1,135
Capital Assets:			
Capital Assets not being Depreciated	1,127,440	4,342,126	5,469,566
Capital Assets being Depreciated	30,329,828	58,243,623	88,573,451
Less: Accumulated Depreciation	(16,276,092)	(33,423,873)	(49,699,965)
Net Pension Asset	1,344,162	-	1,344,162
Total Capital Assets	<u>16,525,338</u>	<u>29,161,876</u>	<u>45,687,214</u>
Total Assets	<u>25,026,822</u>	<u>46,036,099</u>	<u>71,062,921</u>
DEFERRED OUTFLOWS OF RESOURCES			
Net Deferred Outflows Pensions	112,486	1,108,544	1,221,030
Net Deferred Outflows OPEB	-	7,263	7,263
Total Deferred Outflows	<u>112,486</u>	<u>1,115,807</u>	<u>1,228,293</u>
Total Assets and Deferred Outflows	<u>25,139,308</u>	<u>47,151,906</u>	<u>72,291,214</u>
LIABILITIES			
Accounts payable and accrued expenses	286,770	1,151,558	1,438,328
Due to other governmental agencies	1,302	-	1,302
Customer deposits	-	378,246	378,246
Long-term liabilities			
Due within one year			
Bonds, capital leases and contracts	380,988	994,802	1,375,790
Accrued interest payable	34,264	48,330	82,594
Compensated Absences	91,671	96,680	188,351
Net pension liability	-	3,305,242	3,305,242
Due in more than one year			
Bonds, capital leases and contracts	1,086,004	8,739,337	9,825,341
Compensated absences	366,682	332,713	699,395
Landfill closure costs	-	322,631	322,631
Total liabilities	<u>2,247,681</u>	<u>15,369,539</u>	<u>17,617,220</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes	450,156	-	450,156
Deferred Inflows of Pensions	-	583,932	583,932
Deferred Inflows of OPEB	-	3,457	3,457
Total Deferred Inflows	<u>450,156</u>	<u>587,389</u>	<u>1,037,545</u>
NET POSITION			
Net Investment in Capital Assets	13,714,184	19,427,737	33,141,921
Restricted	2,478,089	-	2,478,089
Unrestricted	6,249,198	11,767,241	18,016,439
Total Net Position	<u>\$ 22,441,471</u>	<u>\$ 31,194,978</u>	<u>\$ 53,636,449</u>

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

City of Lamar, Colorado
Statement of Activities
For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
Primary government					Governmental Activities	Business-type Activities	Total
Governmental Activities							
General Government	\$ 2,401,907	\$ 377,642	\$ 49,046	\$ -	\$ (1,975,219)	\$ -	\$ (1,975,219)
Public Safety	2,704,724	71,705	443,918	-	(2,189,101)	-	(2,189,101)
Public Works	1,591,760	67,576	1,453,781	-	(70,403)	-	(70,403)
Cemetery	283,782	43,075	-	-	(240,707)	-	(240,707)
Culture and Recreation	2,102,401	255,660	166,746	-	(1,679,995)	-	(1,679,995)
Total governmental activities	<u>9,084,574</u>	<u>815,658</u>	<u>2,113,491</u>	<u>-</u>	<u>(6,155,425)</u>	<u>-</u>	<u>(6,155,425)</u>
Business-type activities:							
Utility	13,501,810	15,571,835	-	-	-	2,070,025	2,070,025
Water	1,754,227	2,903,385	2,271	-	-	1,151,429	1,151,429
Sanitation	1,023,200	1,430,591	-	-	-	407,391	407,391
Ambulance	421,904	255,915	243,636	-	-	77,647	77,647
Total business-type activities	<u>16,701,141</u>	<u>20,161,726</u>	<u>245,907</u>	<u>-</u>	<u>-</u>	<u>3,706,492</u>	<u>3,706,492</u>
Total primary government	<u>\$ 25,785,715</u>	<u>\$ 20,977,384</u>	<u>\$ 2,359,398</u>	<u>\$ -</u>	<u>(6,155,425)</u>	<u>3,706,492</u>	<u>(2,448,933)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					592,696	-	592,696
Cigarette tax					10,554	-	10,554
Sales & SO tax					4,123,966	-	4,123,966
Unrestricted investment earnings					20,418	63,272	83,690
Miscellaneous					629,089	58,554	687,643
Transfers					2,536,057	(2,536,057)	-
Adjustment to general fixed assets					65,208	-	65,208
Total general revenues, special items, and transfers					<u>7,977,988</u>	<u>(2,414,231)</u>	<u>5,563,757</u>
Change in net assets					1,822,563	1,292,261	3,114,824
Net position - beginning					20,831,479	29,902,717	50,734,196
Net position - ending					<u>\$ 22,441,471</u>	<u>\$ 31,194,978</u>	<u>\$ 53,636,449</u>

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

City of Lamar, Colorado
Balance Sheet
Governmental Funds
December 31, 2019

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 5,277,947	\$ 803,878	\$ 1,019,374	\$ 7,101,199
Taxes receivable, net	450,156	-	-	450,156
Due from other funds	562,631	-	1,275	563,906
Receivable from other governments	-	-	110,001	110,001
Other receivables	57,305	1,146	397,237	455,688
Prepaid expenses	200	-	-	200
Total assets	6,348,239	805,024	1,527,887	8,681,150
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	175,486	35,738	8,715	219,939
Due to other funds	61,820	61,760	56,087	179,667
Deferred revenue	450,156	-	-	450,156
Accrued salaries and benefits	63,613	-	4,522	68,135
Total liabilities	751,075	97,498	69,324	917,897
 Fund balances:				
Committed	-	-	67,695	67,695
Nonspendable	200	-	-	200
Restricted	312,000	707,526	1,390,868	2,410,394
Unassigned	5,284,964	-	-	5,284,964
Total fund balances	5,597,164	707,526	1,458,563	7,763,253
Total liabilities and fund balances	\$ 6,348,239	\$ 805,024	\$ 1,527,887	\$ 8,681,150

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

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

Total fund balance, governmental funds	\$	7,763,253
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		16,637,823
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		(1,959,609)
Rounding		<u>4</u>
Net Position of Governmental Activities in the Statement of Net Position	\$	<u><u>22,441,471</u></u>

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

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

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 432,576	\$ -	\$ 160,120	\$ 592,696
Specific Ownership tax	79,554	-	-	79,554
Sales taxes	-	-	4,044,412	4,044,412
Fees and fines	55,883	-	5,103	60,986
Licenses and permits	136,575	-	16,340	152,915
Intergovernmental	584,873	1,149,126	367,501	2,101,500
Charges for services	593,878	-	19,258	613,136
Investment earnings	14,187	2,131	4,099	20,417
Miscellaneous	430,756	198,306	10,164	639,226
Donations	1,030	-	-	1,030
Total revenues	<u>2,329,312</u>	<u>1,349,563</u>	<u>4,626,997</u>	<u>8,305,872</u>
EXPENDITURES				
Current:				
General government	2,091,133	-	221,737	2,312,870
Public safety	2,022,605	-	466,391	2,488,996
Public works	1,368,373	-	-	1,368,373
Cemetery	2,040,189	-	3,051	2,043,240
Culture and recreation	-	134,087	50,705	184,792
Debt Service:	361,637	-	-	361,637
Capital Outlay	620,268	981,350	45,096	1,646,714
Total Expenditures	<u>8,504,205</u>	<u>1,115,437</u>	<u>786,980</u>	<u>10,406,622</u>
Excess (deficiency) of revenues over expenditures	<u>(6,174,893)</u>	<u>234,126</u>	<u>3,840,017</u>	<u>(2,100,750)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,157,500	31,000	195,000	7,383,500
Transfers out	(970,097)	-	(3,877,346)	(4,847,443)
Total other financing sources and uses	<u>6,187,403</u>	<u>31,000</u>	<u>(3,682,346)</u>	<u>2,536,057</u>
Net change in fund balances	12,510	265,126	157,671	435,307
Fund balances - beginning	5,584,654	442,400	1,300,892	7,327,946
Fund balances - ending	<u>\$ 5,597,164</u>	<u>\$ 707,526</u>	<u>\$ 1,458,563</u>	<u>\$ 7,763,253</u>

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

City of Lamar, Colorado
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019

Net change in fund balances - total governmental funds: \$ 435,307

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital outlay of \$1,646,714 exceeded depreciation of \$871,140 in the current period. 775,574

Reclassification of a fiduciary fund as a special revenue fund- net position 212,480

Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the individual funds 52,430

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure, In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which proceeds exceeded repayments. 361,637

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Accrued interest not reflected on Governmental funds (14,865)

Change in net position of governmental activities \$ 1,822,563

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

City of Lamar, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2019

	Enterprise Funds				
	Utility Fund	Water	Sanitation	Ambulance	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 10,853,892	\$ 2,263,935	\$ 1,291,297	\$ 57,810	\$ 14,466,934
Accounts Receivable, net	1,349,269	165,487	123,406	39,726	1,677,888
Due from other funds	681	-	55,276	-	55,957
Other receivables	169,337	77,822	12,216	(4,734)	254,641
Inventories	775,636	82,429	-	-	858,065
Prepaid Expenses	-	(22)	935	22	935
Total current assets	13,148,815	2,589,651	1,483,130	92,824	17,314,420
Non-current assets:					
Capital Assets:					
Land and right of ways	668,327	103,335	18,000	-	789,662
Capital assets being depreciated	33,610,123	20,444,351	3,080,601	1,108,547	58,243,622
Construction in Progress	-	1,961,248	-	-	1,961,248
Intangibles and water rights	-	1,591,216	-	-	1,591,216
Less Accumulated depreciation	(21,926,975)	(8,612,174)	(2,119,632)	(765,092)	(33,423,873)
Total non-current assets	12,351,475	15,487,976	978,969	343,455	29,161,875
Total assets	25,500,290	18,077,627	2,462,099	436,279	46,476,295
DEFERRED OUTFLOWS OF RESOURCES					
Net Deferred Outflows Pensions	1,108,544	-	-	-	1,108,544
Net Deferred Outflows OPEB	7,263	-	-	-	7,263
Total Deferred Outflows	1,115,807	-	-	-	1,115,807
Total assets and deferred outflows	26,616,097	18,077,627	2,462,099	436,279	47,592,102
LIABILITIES					
Current Liabilities:					
Accounts payable	1,034,768	42,743	66,036	1,791	1,145,338
Salaries payable	20,574	5,639	4,065	2,397	32,675
Accrued interest payable	30,560	17,770	-	-	48,330
Due to other funds	6,544	565	3,986	429,102	440,197
Other accrued expenses	(42,452)	(14,537)	30,531	-	(26,458)
Compensated absences	63,253	21,793	7,779	3,855	96,680
Customer deposits	307,739	70,507	-	-	378,246
Bonds, notes and loans payable	370,419	624,383	-	-	994,802
Total current liabilities	1,791,405	768,863	112,397	437,145	3,109,810
Non-current liabilities:					
Compensated absences	222,492	67,058	27,745	15,418	332,713
Net pension liability	3,305,242	-	-	-	3,305,242
Landfill closure costs	-	-	322,631	-	322,631
Bonds, notes and loans payable	1,115,976	7,623,360	-	-	8,739,336
Total non-current liabilities	4,643,710	7,690,418	350,376	15,418	12,699,922
Total liabilities	6,435,115	8,459,281	462,773	452,563	15,809,732
DEFERRED INFLOWS OF RESOURCES					
Net Deferred Inflows Pensions	583,932	-	-	-	583,932
Net Deferred Inflows OPEB	3,457	-	-	-	3,457
Total Deferred Inflows	587,389	-	-	-	587,389
Net Position					
Net investment in capital assets	10,865,080	7,240,233	978,969	343,455	19,427,737
Unrestricted	8,728,513	2,378,113	1,020,357	(359,739)	11,767,244
Total Net Position	\$ 19,593,593	\$ 9,618,346	\$ 1,999,326	\$ (16,284)	\$ 31,194,981

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

City of Lamar, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2019

	Enterprise Funds				Total
	Utility Fund	Water	Sanitation	Ambulance	
REVENUES					
Charges for services	\$ 14,876,785	\$ 3,011,136	\$ 1,430,591	\$ 255,215	\$ 19,573,727
Miscellaneous	-	6,174	-	-	6,174
Total operating revenues	<u>14,876,785</u>	<u>3,017,310</u>	<u>1,430,591</u>	<u>255,215</u>	<u>19,579,901</u>
OPERATING EXPENSES					
Personal services	925,387	562,526	479,920	301,961	2,269,794
Contractual services	-	15,021	-	-	15,021
Power and water purchased	9,264,221	287,627	-	-	9,551,848
Utilities	-	5,772	10,361	55	16,188
Repairs and maintenance	1,822,298	53,920	257,673	6,316	2,140,207
Other supplies and expenses	211,606	260,082	179,848	44,061	695,597
Insurance claims and expenses	254,816	63,283	19,885	21,563	359,547
Depreciation	849,102	397,767	81,011	46,452	1,374,332
Total Operating Expenses	<u>13,327,430</u>	<u>1,645,998</u>	<u>1,028,698</u>	<u>420,408</u>	<u>16,422,534</u>
Operating income (loss)	<u>1,549,355</u>	<u>1,371,312</u>	<u>401,893</u>	<u>(165,193)</u>	<u>3,157,367</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest and investment revenue	54,157	4,877	4,152	86	63,272
Miscellaneous revenue	695,190	2,271	15,631	26,153	739,245
Operating grants and contributions	-	-	-	244,336	244,336
Interest expense	(41,626)	(128,053)	-	-	(169,679)
Miscellaneous expenses	(132,840)	(71,885)	-	(1,496)	(206,221)
Total non-operating revenue (expenses)	<u>574,881</u>	<u>(192,790)</u>	<u>19,783</u>	<u>269,079</u>	<u>670,953</u>
Income (loss) before contributions and transfers	<u>2,124,236</u>	<u>1,178,522</u>	<u>421,676</u>	<u>103,886</u>	<u>3,828,320</u>
Transfers in	-	-	-	270,973	270,973
Transfers out	(1,847,557)	(402,951)	(310,646)	(245,875)	(2,807,029)
Change in Net Position	<u>276,679</u>	<u>775,571</u>	<u>111,030</u>	<u>128,984</u>	<u>1,292,264</u>
Total Net Position - beginning	<u>19,316,914</u>	<u>8,842,775</u>	<u>1,888,296</u>	<u>(145,268)</u>	<u>29,902,717</u>
Total Net Position - ending	<u>\$ 19,593,593</u>	<u>\$ 9,618,346</u>	<u>\$ 1,999,326</u>	<u>\$ (16,284)</u>	<u>\$ 31,194,981</u>

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

City of Lamar, Colorado
Statement of Cash Flows
Business-Type Activities
For the year ended December 31, 2019

	Business-type Activities-				Totals
	Enterprise Fund				
	<u>Utility</u>	<u>Water</u>	<u>Sanitation</u>	<u>Ambulance</u>	
CASH FLOWS FROM OPERATING					
ACTIVITIES:					
Cash Received from Charges for Services	\$ 14,899,631	\$2,945,947	\$ 1,476,986	\$ 268,906	\$ 19,591,470
Cash Received from Miscellaneous Operating Revenues	-	6,174	-	-	6,174
Net Change in Deferred Inflows and Outflows	(21,297)	-	-	-	(21,297)
Cash Payments to Suppliers for Goods & Services	(11,451,045)	(769,783)	(407,121)	(81,718)	(12,709,667)
Cash Payments for Salaries & Benefits	(925,387)	(562,526)	(479,920)	(301,961)	(2,269,794)
NET CASH PROVIDED BY					
OPERATING ACTIVITIES	<u>2,501,902</u>	<u>1,619,812</u>	<u>589,945</u>	<u>(114,773)</u>	<u>4,596,886</u>
CASH FLOWS FROM					
NONCAPITAL FINANCING					
ACTIVITIES:					
Customer Deposits Increase (Decrease)	7,599	3,758	-	-	11,357
Change in Net Pension Liability	(655,336)	-	-	-	(655,336)
Transfer In	-	-	-	270,973	270,973
Transfer Out	(1,847,557)	(402,951)	(310,646)	(245,875)	(2,807,029)
Miscellaneous Cash Receipts(Disbursements)	562,350	(69,614)	15,631	268,993	777,360
NET CASH PROVIDED BY					
NONCAPITAL FINANCING ACTIVITIES	<u>(1,932,944)</u>	<u>(468,807)</u>	<u>(295,015)</u>	<u>294,091</u>	<u>(2,402,675)</u>
CASH FLOWS FROM CAPITAL &					
RELATED FINANCING					
ACTIVITIES:					
Current Portion of Long Term Debt Paid	(344,854)	(763,599)	-	-	(1,108,453)
Interest Paid on Long-Term Debt & Customer Deposits	(41,626)	(128,053)	-	-	(169,679)
Purchase of Equipment	(481,450)	(291,952)	(193,281)	(122,876)	(1,089,559)
NET CASH (USED) FOR CAPITAL					
AND RELATED FINANCING ACTIVITIES	<u>(867,930)</u>	<u>(1,183,604)</u>	<u>(193,281)</u>	<u>(122,876)</u>	<u>(2,367,691)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest Received on Investments	54,157	4,877	4,152	86	63,272
NET CASH PROVIDED BY					
INVESTING ACTIVITIES	<u>54,157</u>	<u>4,877</u>	<u>4,152</u>	<u>86</u>	<u>63,272</u>
NET INCREASE (DECREASE) IN					
CASH & CASH EQUIVALENTS	(244,815)	(27,722)	105,801	56,528	(110,208)
Cash & Cash Equivalents:					
Beginning of Year	11,098,707	2,291,657	1,185,496	1,282	14,577,142
End of Year	<u>\$ 10,853,892</u>	<u>\$2,263,935</u>	<u>\$ 1,291,297</u>	<u>\$ 57,810</u>	<u>\$ 14,466,934</u>

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

City of Lamar, Colorado
Statement of Cash Flows
Business-Type Activities
for the year ended December 31, 2019
(Continued)

	Business-type Activities-				Totals
	Enterprise Fund				
	Utility	Water	Sanitation	Ambulance	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 1,549,355	\$ 1,371,312	\$ 401,893	\$ (165,193)	\$ 3,157,367
Adjustments to Reconcile Operating Income					
To Net Cash Provided by Operating Activities:					
Depreciation & Amortization	849,102	397,767	81,011	46,452	1,374,332
Change in Assets and Liabilities:					
(Increase) Decrease in Receivables	22,846	(65,189)	46,395	13,691	17,743
(Increase) Decrease in Inventory	(37,539)	-	-	-	(37,539)
Increase (Decrease) in Accrued Liabilities	(84,826)	(15,421)	33,729	(7,262)	(73,780)
Increase (Decrease) in Deferred Inflows/Outflows	(21,297)	-	-	-	-
(Increase) Decrease Prepaid Expenses	318	-	-	-	318
Increase (Decrease) in Accounts Payable	223,943	(68,657)	26,917	(2,461)	179,742
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 2,501,902</u>	<u>\$ 1,619,812</u>	<u>\$ 589,945</u>	<u>\$ (114,773)</u>	<u>\$ 4,618,183</u>
ANALYSIS OF CASH					
Cash & Cash Equivalents	10,853,892	2,263,935	1,291,297	57,810	14,466,934
Total	<u>\$ 10,853,892</u>	<u>\$ 2,263,935</u>	<u>\$ 1,291,297</u>	<u>\$ 57,810</u>	<u>\$ 14,466,934</u>

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

City of Lamar
Notes to Basic Financial Statements
December 31, 2019

Note 1 **Summary of Significant Accounting Policies**

The City of Lamar is a home rule City operating under a charter provided by the authority of the Constitution of the State of Colorado and adopted by its citizens in 1962. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), street maintenance, water and wastewater treatment, sanitation and landfill operation, parks and recreation, cemetery, planning and development, public improvements, historic preservation and general administrative services. The City's basic financial statements include the accounts of all City operations.

This summary of the City of Lamar's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accounting policies of the City of Lamar conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

In accordance with Governmental Accounting Standards, the City has considered the possibility of inclusion of additional entities in its basic financial statements. The definition of the reporting entity is based primarily on financial accountability. The City is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if City officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for benefits to, or to impose specific financial burdens on, the City. The City may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based upon the application of these criteria, the following component unit is included in the City's reporting entity because of the significance of its operational or financial relationship to the City.

The Lamar Building Finance Corporation was organized as a nonprofit corporation in 1992 for the purpose of financing the acquisition, construction and equipping of improvements, repairs, renovation and enlargement to the Lamar Community Building. The Corporation is dependent on the City, the governing board was appointed by the City, the City significantly influences the operations of the corporation and the Corporation is accountable to the City for financial matters. The corporation is accounted for as a blended component unit of the General Fund.

The City Council established the Lamar Redevelopment Authority (the Authority) by resolution on September 14, 2009 as a tax increment financing entity. As allowed by statute, the City Council opted to appoint themselves as the governing board of the Authority. The Authority is dependent on property tax revenue, the City significantly influences the operation of the Authority and the Authority is accountable to the City for financial matters.

The Lamar Housing Authority is not considered a component unit of the City since it is financially independent, it designates its own management, its operations are not significantly influenced by the City and it is not accountable to the City for fiscal matters.

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 non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental Activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements. The City did not have any fiduciary funds at December 31, 2019.

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 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 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 is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund also includes the City's separately budgeted Sales and Use Tax Fund which is considered part of the General Fund for external reporting purposes.

Capital Improvement Fund – The Capital Improvement Fund accounts for construction of capital assets including street improvements, large equipment acquisitions and other capital improvements.

The City also reports the following major proprietary funds:

Water Fund – The Water Fund accounts for all activities necessary for the provision of water services to City residents.

Light and Power Fund – The Light and Power Fund accounts for all activities necessary for the provision of electrical services for area residents and businesses, including agricultural usage.

Sanitation Fund – The Sanitation Fund accounts for all activities necessary for the provision of refuse collection and landfill maintenance.

Ambulance Fund – The Ambulance Fund accounts for all activities necessary for the provision of ambulance services.

Budgets and Budgetary Accounting

Annual budgets are adopted as required by Colorado statutes. Formal budgetary integration is employed as a management control device during the year.

- August 25 Assessors must submit abstracts of assessments, reflecting all assessed values of property in the County by class and subclass to the Division of Property Taxation. Deadline for County Assessors to certify to all taxing entities and the Division of Local Government of the new total assessed valuation and the amounts for the various factors needed to compute the statutory property tax revenue limits.
- October 15 Statutory deadline for submission of proposed budget to the local governing body. "Notice of Budget" to be published when budget received.
- December 15 Statutory deadline for certification of mill levies to the Board of County Commissioners. Local governments levying a property tax must adopt their budgets before certifying the levy to the County. Local governing body shall enact an ordinance or resolution making appropriations for the ensuing fiscal year.
- December 22 Statutory deadline for Board of County Commissioners to levy all taxes and certify the levies.

Budgetary comparisons in this report are presented on the GAAP basis, except for proprietary funds that are on a non-GAAP basis.

Appropriations are adopted by ordinance. Over-expenditures are not deemed to exist unless the fund as a total has expenditures in excess of appropriations. All appropriations lapse at year end.

Supplemental budgets were adopted due to unanticipated revenues and expenditures.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of three months or less. The City pools cash from several funds for the purpose of increasing investment returns. Investment returns are allocated to individual funds based on average balances of the funds.

Reserved Cash and Restricted Cash

Resources set aside for the repayment of bonds and landfill closure and post-closure costs are restricted by applicable bond covenants or bond ordinance agreements. Restricted cash is included in cash and cash equivalents for financial reporting purposes.

Property Taxes

Property taxes for the City are levied by the City Council and certified for collection to Prowers County by December 15 of each year. These taxes become due January 1 of the

succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. Property taxes levied in the current year for collection in the subsequent year by the General Fund are included in receivables and deferred inflows at year end. These taxes are classified as deferred inflows since they were levied for and are not available to the City until the subsequent year.

Receivables

The City is reporting receivables net of allowances in the General, Water & Wastewater, Light and Power, Sanitation, and Ambulance Funds, respectively. The City will review accounts receivable balances and write off accounts that are deemed uncollectible.

Inventory

Inventories are valued at cost, using the first-in, first-out (FIFO) method.

Property, Plant and Equipment

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. 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 assets or materially extend assets lives are not capitalized. Property and equipment of the City is depreciated using the straight-line method over the following useful lives.

Buildings and Improvements	15-50 Years
Equipment	5-30 Years
Infrastructure	30-50 Years

Compensated Absences

On January 1st of each calendar year, eligible employees shall be granted up to 21 days of paid annual leave to be used by December 31st of that calendar year. The number of days of vacation available to each employee in any calendar year shall be based on the employee's years of service with the City and reference to the following schedule. An employee's years of service for purposes of this section will be calculated as of December 31st of the current calendar year.

Years of Service as of December 31st of the current year	No. Days of Leave
Less than 2 years	10 Days
2 years – 10 years	15 Days
11 years – 15 years	18 Days
16 years and more	21 Days

Annual leave is granted, and is intended to be used, on a calendar year basis. Annual leave not used before December 31st, does not carry-over to the next year.

All regular employees are eligible for the annual leave benefit upon commencement of employment.

Regular part-time employees shall receive a pro-rated annual leave benefit of 50% of the full-time benefit.

New employees still serving the introductory period will not be eligible to use the annual leave benefit during the introductory period.

Part-time or temporary employees are not eligible for annual leave.

Effective December 31, 2018, the City will convert the existing vacation leave hours for each employee, that were earned under the provisions of the City's former Personnel Management Manual and which were eligible for "carryover" to the new calendar year, to "banked hours" under the new personnel policy. The banked hours balance carried over shall continue to be accounted for as a separate benefit in individual employee banked hours accounts. These banked hours are in addition to the current annual leave for each employee.

On January 1st of each year regular full-time and regular part-time employees shall be granted ten (10) days of sick leave which may be used during the current calendar year.

The sick leave benefit is granted and is intended to be used on an annual basis. Sick leave which is not used by December 31st of each calendar year does not carry-over from year-to-year.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows and inflows of resources. These separate financial statement elements, deferred outflows of financial resources and deferred inflows of financial resources, represent a usage or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until a future period. The government has three types of items, which arise under the full accrual basis of accounting for both types and modified accrual basis of accounting, in the case of unearned property taxes, that qualify for reporting in these categories. The deferred charge on refunding is reported as a deferred outflow for the

governmental activities' presentation. The other item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The final item, included in governmental activities and at the enterprise fund level, are deferred outflows and inflows related to pension and OPEB, as further described in Note 6 and Note 7. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and will be recognized as an outflow or inflow of resources in the period that the amounts become recognizable as an expense or available, respectively. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow is recognized as revenue and the receivable is reduced. In the case of the deferred outflow, the charge will be recognized proportionately as the outstanding principal is repaid.

Net Position/Fund Balance

In the government-wide financial statements and for the proprietary fund statements, net position is 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 the highest formal action, the adoption of an Ordinance, 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.

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.

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

Net Position/Fund Balance 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 Cash and Investments

A summary of cash and investments follows:

Cash and Cash Equivalents	\$	20,947,611
Restricted Cash and Equivalents		620,521
Total Cash and Investments	\$	<u>21,568,132</u>

The City's cash and investment balances are comprised of the following:

Petty Cash	\$	4,350
Cash Accounts		21,563,782
Total Cash and Investments	\$	<u>21,568,132</u>

The City's deposits and cash held are comprised of the following:

	<u>Bank Balance</u>	<u>Carrying Balance</u>
FDIC Insured	\$ 1,000,000	\$ 1,000,000
PDPA Collateralized (Not held in City's name)	20,825,734	21,035,104
Petty Cash	-	4,350
Total Cash Deposits	<u>\$ 21,825,734</u>	<u>\$ 22,039,454</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 percent 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 above were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

Investments

Credit Risk

The City invests excess funds under the prudent investor rule. The criteria for selection of investments and their order of priority are: 1) Safety, 2) Liquidity, and 3) Yield. The City Clerk is responsible for all of the investments of the City.

Eligible investments shall conform to state law and may include any of the following:

- Obligations of the United States and certain U.S. government agencies securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptance 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 is subject to Colorado statutes, which define eligible investments for local governments. Eligible investments include bonds and other interest-bearing obligations of or guaranteed by US government or its agencies, bonds which are direct obligations of the State of Colorado or any of its political subdivisions, repurchase agreements, commercial paper, guaranteed investment contracts and local government investment pools.

Interest Rate Risk

The City manages its interest rate risk by setting a maximum maturity date no more than five years from the date of purchase unless otherwise authorized by the City Council.

Concentration of Credit Risk

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

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. The City was not exposed to custodial credit risk during the fiscal year.

Note 3 Budgetary Information

The following schedule presents changes in governmental activities capital assets during 2019:

	Governmental Activities			Balance 12/31/2019
	Balance 12/31/2018	Increases	Decreases	
Capital asset not being depreciated:				
Land	\$ 581,457	\$ -	\$ -	\$ 581,457
Construction in progress	315,894	230,089	-	545,983
Total capital assets not being depreciated	\$ 897,351	\$ 230,089	\$ -	\$ 1,127,440
Capital asset being depreciated:				
Equipment	2,193,769	74,804	(101,685)	2,166,888
Vehicles	4,218,610	446,640	(177,389)	4,487,861
Buildings	5,371,419	-	-	5,371,419
Infrastructure	17,129,405	1,174,255	-	18,303,660
Total capital assets being depreciated	28,913,203	1,695,699	(279,074)	30,329,828
Accumulated Depreciation	(15,404,952)	(871,140)	-	(16,276,092)
Total capital assets being depreciated, net	13,508,251	824,559	(279,074)	14,053,736
Governmental activity capital assets, net	\$ 14,405,602	\$ 1,054,648	\$ (279,074)	\$ 15,181,176

Depreciation has been charged to the various functions and programs as follows:

Governmental Activities	
General government	\$ 283,820
Public safety	205,782
Public works	48,621
Library	78,562
Culture and recreation	153,421
Infrastructure	100,934
Total depreciation expense	
Governmental Activities	\$ 871,140

The following schedule presents business-type activities capital assets at December 31, 2019:

	Business-Type Activities			Balance 12/31/2019
	Balance 12/31/2018	Increases	Decreases	
Capital asset not being depreciated:				
Land	\$ 518,559	\$ 271,103	\$ -	\$ 789,662
Intangibles and water rights	1,591,216	-	-	1,591,216
Construction in progress	1,975,315	-	(14,067)	1,961,248
Total capital assets not being depreciated	4,085,090	271,103	(14,067)	4,342,126
Capital asset being depreciated:				
Equipment	15,087,613	1,459,591	(45,290)	16,501,914
Buildings and improvements	8,556,861	-	-	8,556,861
Distribution systems	33,455,950	-	(271,103)	33,184,847
Total capital assets being depreciated	57,100,424	1,459,591	(316,393)	58,243,622
Accumulated Depreciation	(32,104,080)	(1,374,332)	54,539	(33,423,873)
Total capital assets being depreciated, net	24,996,344	85,259	(261,854)	24,819,749
Governmental activity capital assets, net	\$ 29,081,434	\$ 356,362	\$ (275,921)	\$ 29,161,875

Depreciation has been charged to the various functions and programs as follows:

Business-Type Activities	
Light & Power	\$ 849,102
Water	397,767
Sanitation	81,011
Ambulance	46,452
Total depreciation expense	
Business-Type Activities	\$ 1,374,332

Note 4 Long-Term Obligations

Changes in governmental activity long-term obligations are as follows:

	Balance 12/31/18	Advances	Repayments	Balance 12/31/19	Current Portion
Honeywell Lease	\$ 721,585	\$ -	\$ (154,002)	\$ 567,583	\$ 157,562
Equipment Capital Leases	1,107,045	-	(207,636)	899,409	223,426
Accrued Compensated Absences	458,353	-	-	458,353	91,671
Total Governmental Activities	\$ 2,286,983	\$ -	\$ (361,638)	\$ 1,925,345	\$ 472,659

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

	Balance As Restated 12/31/18	Advances	Repayments	Balance 12/31/19	Current Portion
Water Refunding Bonds - water	\$ 140,000	\$ -	\$ (140,000)	\$ -	\$ -
CWRPDA Note Payable - water	6,016,548	-	(451,736)	5,564,812	706,290
2013 Revenue Bonds - L&P	1,814,478	-	(344,854)	1,469,624	353,648
2014 CWCBC Note Payable - water	556,500	-	(15,983)	540,517	16,343
2019 CWCBC Note Payable	-	83,200	-	83,200	7,615
Honeywell Acquisition Lease	2,299,949	-	(240,734)	2,059,215	251,965
PERA Net Pension Liability	2,649,906	399,425	-	3,049,331	-
Net OPEB Liability	240,339	15,572	-	255,911	-
Landfill Postclosure Liability	320,760	1,871	-	322,631	-
Accrued Compensated Absences	409,619	19,774	-	429,393	96,680
Total Business-Type Activities	\$ 14,448,099	\$ 519,842	\$ (1,193,307)	\$ 13,774,634	\$ 1,432,541

Honeywell Lease Payable – Governmental and Business-Type Activities

The Honeywell acquisition lease is for energy efficiency improvements in the amount of \$4,456,988 which being repaid through both the General Fund and the Water Fund. The lease began in December of 2012 with the final payment date in June of 2027. The lease bears interest of 2.8 percent and has a purchase option. Payments are due every quarter of the year and range from \$55,943 to \$120,305 during the lease term. A summary of the future lease payments follows:

	Business-Type Activities			Governmental Activities		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 251,965	\$ 58,035	\$ 310,000	\$ 157,562	\$ 11,659	\$ 169,221
2021	263,531	50,469	314,000	161,202	8,017	169,219
2022	263,398	42,602	306,000	164,929	4,291	169,220
2023	277,134	34,866	312,000	83,890	722	84,612
2024	251,965	28,157	280,122	-	-	-
2025-2027	751,221	52,587	803,808	-	-	-
Total	\$ 2,059,214	\$ 266,716	\$ 2,325,930	\$ 567,583	\$ 24,689	\$ 592,272

Accrued Compensated Absences – Governmental and Business-Type Activities

The City maintains a liability to pay its employees for sick and vacation leave based on the vesting schedules previously described in the footnotes. The balances of these accruals are shown in the above tables.

Governmental Activities

Capital Lease Payable

In 2016, the City entered into a lease purchase agreement for a 2014 Pierce Aerial fire truck. The lease requires annual base rentals of \$74,728 consisting of both principal and interest at 3.49 percent on May 5th of each year starting in 2016. Assets with a remaining basis of \$528,894 were capitalized as part of this lease.

In 2016, the City entered into a lease purchase agreement for three 2016 Police pickup trucks. The lease requires annual base rentals of \$13,441 consisting of both principal and interest at 2.99 percent on May 27th of each year starting in 2017. Payments are made through the General Fund. Assets with a remaining basis of \$28,580 were capitalized as part of this lease.

In 2017, the City entered into a lease purchase agreement for two 2017 Dodge Ram pickup trucks. The lease requires annual base rentals of \$9,265 consisting of both principal and interest at 2.97 percent on June 15th of each year starting in 2017. Assets with a remaining basis of \$40,297 were capitalized as part of this lease.

In 2018, the City entered into a lease purchase agreement for one 2018 Ford Interceptor Police vehicle. The lease requires annual base rentals of \$13,088 consisting of both principal and interest at 3.89 percent on October 1st of each year starting in 2019. Assets with a remaining basis of \$385,125 were capitalized as part of this lease.

In 2018, the City entered into a lease purchase agreement for three 2018 Dodge Ram Pickup Trucks. The lease requires annual base rentals of \$17,217 consisting of both principal and interest at 3.49 percent on February 12th of each year starting in 2018. Assets with a remaining basis of \$68,685 were capitalized as part of this lease.

In 2018, the City entered into a lease purchase agreement for a Pierce Freightliner Type-3 Fire Truck. The lease requires 10 annual base rentals of \$43,223 consisting of both principal and interest at 3.95 percent on October 1st of each year starting in 2018. There were no assets capitalized in connection to this capital lease as the vehicle was still being built at December 31, 2018, the proceeds have been recorded in escrow funds until the vehicle is received.

A summary of the capital lease payments follows:

Fiscal Year	Fire Dodge Pickups	Aerial Fire Truck Payment	Dodge Pickups Payment	Golf Equipment Payment	Police Interceptor Payment	Fire Truck Payment	Police Pickups Payment	Totals
2020	\$ 9,265	\$ 74,728	\$ 13,441	\$ 50,173	\$13,088	\$ 43,223	\$ 16,554	\$ 220,472
2021	9,265	74,728	13,441	-	-	43,223	16,554	157,211
2022	7,545	74,728	13,443	-	-	43,223	16,554	155,493
2023	-	74,728	-	-	-	43,223	-	117,951
2024	-	74,728	-	-	-	43,223	-	117,951
2025-2028	-	74,534	-	-	-	129,670	-	204,204
Total Future Payments	26,075	448,174	40,325	50,173	13,088	345,785	49,662	973,282
Less: Interest Portion	(1,075)	(33,271)	(1,533)	(3,596)	(736)	(29,608)	(4,054)	(73,873)
Present Value of Payments	\$ 25,000	\$ 414,903	\$ 38,792	\$ 46,577	\$12,352	\$ 316,177	\$ 45,608	\$ 899,409

No assets were authorized during 2019 under capital lease agreements.

Business-Type Activities

Water Refunding Bonds

The City fully refunded 1999 Water Revenue Bonds on May 26, 2009 by issuing Water Activity Revenue Refunding Bonds, Series 2009, in the amount of \$1,670,000. The bonds are secured by a reserve account in the amount of \$167,000. Bond principal payments are due annually on June 15, and interest is due semi-annually on June 15 and December 15. The bonds bear interest rates range from 2.00 percent to 3.75 percent with bond principal payments ranging from \$115,000 to \$180,000. This bond was paid in full in 2019 in the amount of \$140,000.

Colorado Water Resources and Power Development Authority Loans

On May 27, 2010, the City received loan funds totaling \$2,000,000 from the Colorado Water Resources and Power Development Authority (CWRPDA) Water Pollution Control Revolving Fund program for upgrades to the water system. The loan bears interest at 2 percent and requires semi-annual principal and interest payments through May 1, 2031. Payments are made through the Water Fund.

On December 17, 2009, the City was awarded loan funds totaling \$5,020,000 from CWRPDA Drinking Water Revolving Fund to finance the relocation of the existing chlorine building, storage tank improvements, and installation resource project. This loan matures in 2031 and is split with \$3,952,375 being noninterest bearing and \$1,067,625 bearing interest at 2.5 percent. The loan requires semi-annual principal and interest payments through June 15, 2030. Payments are made through the Water Fund.

On August 26, 2016, the City received loan funds totaling \$195,500 from the CWRPDA Drinking Water Revolving Fund for the replacement of the distribution and service

pipelines. The loan is noninterest bearing and requires semi-annual principal payments through May 1, 2047. Payments are made through the Water Fund. The loan also contains an additional \$1,417,300 of proceeds subject to loan forgiveness at the discretion of the Authority.

A summary of payments follows for the CWRPDA Loans:

Fiscal Year	CWRPDA Loans		
	Principal	Interest	Total
2020	\$ 608,038	\$ 98,252	\$ 706,290
2021	622,930	87,360	710,290
2022	626,193	76,097	702,290
2023	643,404	98,286	741,690
2024	605,732	120,361	726,093
2025-2029	2,030,660	26,300	2,056,960
2030-2034	346,405	4,058	350,463
2035-2039	32,580	-	32,580
2040-2044	32,580	-	32,580
2045-2048	16,290	-	16,290
Total	\$ 5,564,812	\$ 510,714	\$ 6,075,526

Colorado Water Conservation Board Loans

On November 10, 2014, the City received loan funds totaling \$616,994 from the Colorado Water Conservation Board (CWCB) for upgrades to the water transmission lines. The loan bears interest at 2.25 percent and matures in 2044.

Principal and Interest is payable on the outstanding loans as follows:

Fiscal Year	CWCB Loans		
	Principal	Interest	Total
2020	\$ 16,343	\$ 12,162	\$ 28,505
2021	16,711	11,794	28,505
2022	17,087	11,418	28,505
2023	17,471	11,034	28,505
2024	17,864	10,641	28,505
2025-2029	95,534	46,991	142,525
2030-2034	106,777	35,748	142,525
2035-2039	119,342	23,183	142,525
2040-2044	133,388	9,137	142,525
Total	\$ 540,517	\$ 172,108	\$ 712,625

On June 17, 2016, the City received loan funds totaling \$101,000 from the Colorado Water Conservation Board (CWCB) for upgrades to the water transmission lines. The loan bears interest at 1.95 percent and matures ten years from substantial project completion. Principal and interest will be due annually.

Principal and Interest is payable on the outstanding loans as follows:

Fiscal Year	CWCB Loans		
	Principal	Interest	Total
2020	\$ 7,615	\$ 1,623	\$ 9,238
2021	7,764	1,474	9,238
2022	7,916	1,322	9,238
2023	8,071	1,167	9,238
2024	8,228	1,010	9,238
2025-2029	43,606	2,584	46,190
Total	\$ 83,200	\$ 9,180	\$ 92,380

Electric Revenue Bonds

In 2013, the City fully refunded 2004 Electric Enterprise Revenue Bonds by issuing Revenue Bonds in the amount of \$3,490,000. The 2013 bonds bears interest at 2.55 percent. Interest is payable semi-annually on January 1st and July 1st of each year.

Principal and interest is payable on the outstanding bonds as follows:

Fiscal Year	Electric Refunding Bonds		
	Principal	Interest	Total
2020	\$ 353,648	\$ 33,541	\$ 387,189
2021	362,666	24,203	386,869
2022	371,914	9,818	381,732
2023	381,396	4,971	386,367
Total	\$ 1,469,624	\$ 72,533	\$ 1,542,157

Note 5 Interfund Transactions

The City has recorded the following routine transfers:

	Transfers	Transfers
	In	Out
General Fund	\$ 7,157,500	\$ (970,097)
Capital Improvement Fund	31,000	-
Ambulance Fund	270,973	(245,875)
Sanitation Fund	-	(310,646)
Water and Wastewater Fund	-	(402,951)
Utility Fund	-	(1,847,558)
Nonmajor Govt. Funds	195,000	(3,877,346)
Totals	\$ 7,654,473	\$ (7,654,473)

Note 6

Employee Benefit Plans

Defined Benefit – PERA

In 1992, the City’s employees, except for Light and Power Fund employees, voted to terminate their participation in PERA. Their respective share of PERA was withdrawn and rolled over into a defined contribution plan. All of the City’s full-time Light and Power Fund employees participate in PERA.

Summary of Significant Accounting Policies

Pensions. The City’s Light and Power Fund, via the Lamar Utilities Board (“LUB”), participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deduction from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications to the Public Employees’ Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability on the Plan Within the Next Thirty Years.*

General Information about the Pension Plan

Plan description. Eligible employees of the LUB are provided with pensions through the Local Government Division Trust Fund (LGDTF)-a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, 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. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- High average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by the Federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2017, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions. Eligible employees and the LUB are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

January 1st - December 31st	2018	2017	2016	2015	2014
Employer Contribution Rate	10.00%	10.00%	10.00%	10.00%	10.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	-1.02%	-1.02%	-1.02%	-1.02%	-1.02%
Amount apportioned to the LGDTF	8.98%	8.98%	8.98%	8.98%	8.98%
Amortization equalization disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%	2.20%	2.20%	2.20%
Supplemental amortization equalization disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%	1.50%	1.50%	1.50%
Total Employer Contribution rate to the LGDTF	12.68%	12.68%	12.68%	12.68%	12.68%

Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42)

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the LUB is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the City were \$233,630 for the year ended December 31, 2019.

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

At December 31, 2019, the LUB reported a liability of \$3,049,331 for its proportionate share of the net pension liability. The net pension 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 December 31, 2017. Standard update procedures were used to roll forward the total pension liability to December 31, 2018. The LUB proportion of the net pension liability was based on the LUB contributions to the LGDTF for the calendar year 2018 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2018, the LUB proportion was .2425%, which was an increase of .45 percent from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the LUB recognized pension expense of \$233,630. At December 31, 2019, the LUB 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	\$ 127,502	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	981,042	(583,932)
Changes in proportion and differences between contributions recognized and proportionate share of contributions – Plan Basis	-	(104,276)
Contributions subsequent to the measurement date	233,630	-
Total	\$ 1,342,174	\$ (688,208)

\$233,630 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Fiscal Year Total</u>
2019	\$ 231,955
2020	53,758
2021	22,128
2022	216,771
Total	<u>\$ 524,612</u>

Actuarial assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs:

<u>Actuarial cost method</u>	<u>Entry age</u>
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50 – 10.45%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	0.00% Through 2019 and 1.50% Compounded Annually Thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

Healthy mortality assumptions for active members reflect the P-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016 Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	10 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non-U.S. Equity – Developed	18.55%	5.20%
Non-U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non-U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50 percent.
- Employee contributions were assumed to be made at the member contribution rates for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan

members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of City proportionate share of the net pension liability to changes in the discount rate.

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% increase (8.25%)
Proportionate share of the net pension liability	\$4,664,847	\$3,049,331	\$1,697,790

Pension plan fiduciary net position. Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Changes as of December 31, 2018, due to recent legislation.

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through SB 18-200. *Concerning Modifications to the Public Employees'*

Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to the plans administered by PERA with the goal of eliminating the unfunded actuarial accrued liability of the Division Trust Funds and thereby reach a 100 percent funded ratio for each division within the next 30 years.

- Increases employee contribution rates by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, modifying the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.
- Expands eligibility to participate in the PERA DC Plan to new members hired on or after January 1, 2019, in the Local Government Division. Beginning January 1, 2021, and every year thereafter, employer contribution rates for the LGDTF will be adjusted to include a defined contribution supplement based on the employer contribution amount paid to defined contribution plan participant accounts that would have otherwise gone to the defined benefit trusts to pay down the unfunded liability plus any defined benefit investment earnings thereon.

Defined Contribution Plans – Money Purchase Pension Plan

The City reinstated and administers a money purchase pension plan, as of June 1, 2010. All City employees except light and Power employees, firemen and policemen, are covered under this defined contribution plan if they meet eligibility requirements specified in the plan document. Participants are required to contribute 8 percent of their eligible wages and can voluntarily contribute an additional 6 percent of compensation through the City's 457 voluntary contribution plan. The City is required to contribute 9 percent of allowable compensation for retirement benefits plus an additional 0.9 percent of allowable compensation for other fringe benefits. City contributions in 2019 were \$241,560 and employee contributions were approximately \$202,694.

The policemen have each established money purchase defined contribution pension plans (FPMP for new hires). FPMP may be amended by action of the Retirement Board with the approval of at least 65 percent of actively employed eligible employees and former employees entitled to FPMP benefits. The plans are maintained through Fidelity Advisor Funds and American Century Funds. The participants are required to contribute 8 percent of their eligible salaries, and the City contributes 9 percent. For 2019, the City contributed \$73,852 and participants contributed \$64,046.

Deferred Compensation Plan – 457 Plan

In 1997, the City offered its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The plan is available through ICMA Retirement Corporation.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

Volunteer Firefighters' Pension Plan

Plan Description

On July 1, 2006, the City's Volunteer Plan affiliated with FPPA under CRS 31-30-1005(l)(k), as amended, at which time all plan assets were transferred to FPPA for financial administration. Under FPPA administration, the City's Volunteer Plan is an "affiliated local plan" that is part of an agent multiple-employer Public Employee Retirement System (PERS). Assets of the Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension Plan administered by FPPA.

Under the FPPA affiliation agreement, the City is responsible for the collection and transmission of all contributions to the Plan. FPPA is responsible for the physical safekeeping and investing of such contributions, as well as for making the appropriate and legally authorized payments of pension benefits and other expenses of the Plan.

All City volunteer firefighters participate in this non-contributing local defined benefit pension plan administered by FPPA. For the year ended December 31, 2019, the City acted as the trustee for the plan and has authority to amend benefit provisions.

The Plan does not issue separate financial statements. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111-2721, or by calling FPPA at (303) 770-3772 in the Denver metro area and 1-800-332-FPPA (3772) from outside the metro area.

Description of Benefits

The Plan provides retirement benefits for Members and beneficiaries according to Plan provisions as enacted and governed by the Firefighters Pension Board. Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the Plan. A participant becomes fully vested after 10 years of active service and reaching age 50. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter Benefits provided are as follows:

Age and service retirement after age 50 with 20 year of credited service (monthly)	\$ 250
Disability retirement benefit:	
Temporary	-
Permanent	-
Surviving spouse death benefit:	
Following death before retirement eligible, death in line of duty	-
Following death after normal retirement	\$ 125
Following death after vested retirement with 10 to 20 years of service, amount per year of service per minimum vesting years	-
Funeral benefit, lump sum	\$ 100

Contributions

The City makes contributions in accordance with the Plan per provisions in the Plan document and Colorado statutes based on Trustees established benefits and funding requirements based on an actuarial study. The City contributes to the Volunteer Fire Department Pension Fund at a rate determined in the following manner: at least every three (3) years, the Volunteer Fire Department Pension Fund shall have an actuarial study prepared to determine the funds required. The required funds will be paid annually from general revenues of the City into the Volunteer Fire Department Pension Fund. The Volunteer Firefighter's Pension Plan receives contributions from the City in an amount not to exceed one half mill of property tax revenue.

As established by the legislature, the State of Colorado contributes up to ninety percent of the City's contribution. The contributions are not actuarially determined.

The financial statements of the volunteer Plan are prepared using the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The investments are presented at fair value except for short-term investments that are recorded at cost, which approximates fair value.

Administrative costs of the Plan are paid from the pension fund (CRS 31-30.5-204(3)). There are no investments in, loans to, or leases with parties related to the Plan.

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

At December 31, 2019, the City reported a net pension asset of \$655,720. The net pension asset was measured as of December 31, 2018, and the total pension liability used

to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018.

For the year ended December 31, 2019, the City recognized pension income of \$4,723. 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	\$ -	\$ (54,349)
Changes of assumptions or other inputs	15,530	-
Net difference between projected and actual earnings on pension plan investments	74,603	-
Contributions subsequent to the measurement date	14,200	-
Total	\$ 104,333	\$ (54,349)

\$14,200 reported as deferred outflows of resources related to pensions resulting from City and State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred (inflows) of resources of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Fiscal Year Total
2020	\$ 25,771
2021	16,843
2022	13,503
2023	24,194
2024	3,006
Thereafter	(8,471)
Total	\$ 74,846

Actuarial Assumptions

The January 1, 2017 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2017. The valuation used the following actuarial assumption and other inputs:

Actuarial Method	Entry Age Normal
Amortization Method ⁽¹⁾	Level Dollar, Open
Amortization Period ⁽¹⁾	20 Years
Asset Valuation Method	5 – Year smoothed fair value
Long-Term Investment Rate of Return, Net Pension Plan Investment Expenses, including price inflation *	7.50%
Projected Salary Increase *	N/A
Cost of Living Adjustments (COLA)	0.00%
* Includes inflation at	2.50%

⁽¹⁾ Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

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 expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	2.00%	2.52%
Fixed Income	15.00%	2.90%
Managed Futures	4.00%	3.35%
Absolute Return	9.00%	5.08%
Equity Long/Short	9.00%	6.45%
Global Equity	24.00%	8.03%
Private Markets	27.00%	10.00%
Total	100.00%	

While expected inflation exceeds the expected rate of return for cash, a 0.00 percent real rate of return is utilized.

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 long-term 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 City's Net Pension Liability to Changes in the Discount Rate

The following presents the City's net position calculated using the discount rate of 7.00 percent, as well as what the City's net position would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Proportionate Share of the Net Pension Asset	\$608,555	\$655,720	\$693,845

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

Changes in net pension liability for the City's agent multiple-employer plan is listed below:

Total Pension Liability	Measurement period ended December 31, 2019
Service Cost	\$ 6,592
Interest	26,248
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(54,349)
Changes of Assumptions	15,530
Benefit Payments	(12,000)
Net Changes in Total Pension Liability	(17,979)
Total Pension Liability - Beginning	352,623
Total Pension Liability - End (a)	<u>\$ 334,644</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 14,200
Contributions - Employee	-
Net Investment Income	(22)
Benefit Payments, Including Refunds of Employee Contributions	(12,000)
Administrative Expense	(10,110)
State of Colorado Supplemental Discretionary Payments	-
Net Change in Plan Fiduciary Net Position	(7,932)
Plan Fiduciary Net Position - Beginning	998,296
Plan Fiduciary Net Position - End (b)	<u>\$ 990,364</u>
City's Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ (655,720)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	295.95%
Covered Employee Payroll	N/A
Net Pension Liability/(Asset) as a percentage of Covered Payroll	N/A

There were no changes in the benefit terms, assumptions or other inputs during the fiscal year.

Membership

As of the December 31, 2017 measurement date, pension plan membership consisted of the following:

Retirees and Beneficiaries	5
Inactive, Nonretired Members	1
Active Members	<u>32</u>
Total	<u><u>38</u></u>

Old Hire Firefighters' Pension Plan

Plan Description

The Old Hire Plan is an agent multiple-employer defined benefit pension plan established by resolution of the City. All assets are held and invested by FPPA. Firemen hired prior to April 8, 1978 who elected not to change to the New Hire Statewide Defined Benefit Plan are covered by this plan. Any changes to this plan are referred to the membership by the Pension Trustee Board and voted upon. The plan is closed and has no current employees.

Description of Benefits

The Plan provides retirement benefits for Members and beneficiaries according to Plan provisions as enacted and governed by the City Council. Any Member who elects to retire on or after his normal retirement date (20 years of service and 55 years of age) shall be eligible for a monthly pension equal to one-half of his average monthly salary received one year before his retirement.

The plan also provides for cost of living adjustments, surviving spouse benefits and post-retirement death benefits. FPPA issues independent annual reports that may be obtained by calling FPPA at (303) 770-3772 in the Denver metro area and 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The City funds the Plan per provisions in the Plan document and Colorado statutes. The City shall contribute amounts required to fund the benefits provided by the Plan on a sound actuarial basis. The City contributes to the Old Hire Pension Fund at a rate determined in the following manner: at least every three (3) years, the Old Hire Pension Fund shall have an actuarial study prepared to determine the funds required. The required funds will be paid annually from general revenues of the City into the Old Hire Pension Fund.

The Plan is administered by the City Council.

The financial statements of the Old Hire Plan are prepared using the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The investments are presented at fair value except for short-term investments that are recorded at cost, which approximates fair value.

Administrative costs of the Plan are paid from the pension fund (CRS 31-30.5-204(3)). There are no investments in, loans to, or leases with parties related to the Plan.

There were no contributions required for the current fiscal year.

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 net pension asset of \$1,344,162. The net pension asset was measured as of December 31, 2018, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date.

For the year ended December 31, 2019, the City recognized pension income (expense) of \$36,320. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Net difference between projected and actual earnings on pension plan investments	\$ 112,486	\$ -

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 Totals
2020	\$ 15,464
2021	5,579
2022	1,973
2023	14,624
2024	-
Thereafter	-
Total	<u>\$ 37,640</u>

Actuarial Assumptions

The January 1, 2018 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2018. The valuation used the following actuarial assumption and other inputs:

<u>Actuarial Method</u>	<u>Entry Age Normal</u>
Amortization Method ⁽¹⁾	Level Dollar, Open
Amortization Period ⁽¹⁾	20 Years
Asset Valuation Method	5 – Year smoothed fair value
Long-Term Investment Rate of Return, Net Pension	
Plan Investment Expenses, including price inflation *	7.50%
Projected Salary Increase *	N/A
Cost of Living Adjustments (COLA)	0.00%
* Includes inflation at	2.50%

⁽¹⁾ Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

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 expenses 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.

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 long-term expected rate of return on pension plan investments is 7.50 percent; the municipal bond rate is 3.31 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 7.50 percent.

Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate

The following presents the City's net position calculated using the discount rate of 7.50 percent, as well as what the City's net position would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Proportionate Share of the Net Pension Asset	\$666,594	\$688,442	\$707,656

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

Changes in net pension (asset) liability for the City's agent multiple-employer plan is listed below:

Total Pension Liability	Measurement period ended December 31, 2019
Interest	\$ 20,187
Difference Between Expected and Actual Experience	-
Benefit Payments	(25,481)
Net Changes in Total Pension Liability	(5,294)
Total Pension Liability - Beginning	281,671
Total Pension Liability - End (a)	<u>\$ 276,377</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ -
Contributions - Employee	-
Net Investment Income	314
Benefit Payments, Including Refunds of Employee Contributions	(25,481)
Administrative Expense	(3,221)
Other	-
Net Change in Plan Fiduciary Net Position	(28,388)
Plan Fiduciary Net Position - Beginning	993,207
Plan Fiduciary Net Position - End (b)	<u>\$ 964,819</u>
City's Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ (688,442)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	349.10%
Covered Employee Payroll	N/A
Net Pension Liability/(Asset) as a percentage of Covered Payroll	N/A

There were no changes in the benefit terms, assumptions or other inputs during the fiscal year.

Membership

As of the December 31, 2018 measurement date, pension plan membership consisted of one retiree beneficiary.

Note 7 Post Employment Healthcare Benefits

Health Care Trust Fund

Summary of Significant Accounting Policies

OPEB. The City's Light and Power Fund (LUB) participates in the Health Care Trust Fund (HCTF), a cost sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan Description

Eligible employees of the LUB are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having

service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part Band the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under

65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the LUB is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from LUB were \$15,314 for the plan year ended December 31, 2018.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2018, the LUB reported a liability of \$240,339 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2017. The LUB's proportion of the net OPEB liability was based on LUB's contributions to the HCTF for the calendar year 2017 relative to the total contributions of participating employers to the HCTF.

At December 31, 2017, the LUB's proportion was 0.01849 percent, which was a decrease of .001617 percent from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the LUB recognized OPEB expense of \$15,292. At December 31, 2018, the LUB reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 929	\$ (390)
Changes of assumptions/other inputs	1,795	-
Net difference between projected and actual earnings on pension plan investments	4,539	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions – Plan Basis	-	(3,067)
Contributions subsequent to the measurement date	16,227	-
Total	\$ 23,490	\$ (3,457)

\$16,227 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Fiscal Year Total
2019	\$ 618
2020	618
2021	619
2022	1,641
2023	299
2024	11
Total	\$ 3,806

Actuarial assumptions. The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

<u>Actuarial cost method</u>	<u>Entry age</u>
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% in the aggregate
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates (PERA Benefit Structure)	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	5.00%
Medicare Part A Premiums	3.25% for 2018, gradually rising to 5.00% in 2025

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improved projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 70 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capital health care costs and their related trends are analyzed and reviewed by PERA's actuary, as needed.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

The following health care costs assumptions were updated and used in the measurement of the obligations for the Trust Fund:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2018 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-

term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	30 Year Expected	
	Target Allocation	Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non-U.S. Equity – Developed	18.55%	5.20%
Non-U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non-U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Sensitivity of the LUB's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates.

	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB asset (liability)	\$248,845	\$255,911	\$264,039

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows.

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2018 measurement date.

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were established and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change from the prior measurement date.

Sensitivity of the LUB's proportionate share of the net OPEB liability to changes in the discount rate.

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease 6.25%	Current Discount 7.25%	1% Increase 8.25%
Proportionate Share of the Net OPEB Asset (Liability)	\$286,342	\$255,911	\$229,896

OPEB plan fiduciary net position.

Detailed information about the HCTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Note 8 Risk Management

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

For risks related to property and liability and workers' compensation, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, section 18(2). The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or 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, any 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 coverage 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 ability to significantly affect the operations of the unit. The City has not significantly changed its insurance coverage over the past three years, nor have settlements exceeded coverage during the same period.

The City purchases commercial insurance coverage for all items not covered by CIRSA. Settled claims for these risks have not exceeded insurance coverage the past three years.

Note 9 Related Parties

The City entered into a contract in 1979 with five other municipalities to create a separate governmental entity known as the Arkansas River Power Authority (ARPA) under provisions of CRS 1973, § 29-1-204 as amended, "to effect the development of electric energy resources and the production and transmission of electric energy in whole or in part for the benefit of the inhabitants of the Municipalities." Under the provisions of this agreement and the subsequent Power Purchase Agreement and various amendments to the Power Purchase Agreement, the member municipalities, all of which had the capacity to generate electric power, agreed to allow ARPA to coordinate and manager the "economic dispatching of the power and energy supplied by the system of the Authority (ARPA) and supplied by the electric systems of the individual Municipalities and other entities to which such systems are interconnected."

Over succeeding years, the Parties to the agreement(s) have changed. Some original member municipalities have left ARPA and the terms of the Power Purchase Agreement(s) between the member municipalities have also changed to accommodate

changes in the regulatory environment, economic conditions and the condition of the electric generating assets of the member municipalities, to the point where all of the member municipalities now purchase all of their electric energy from ARPA, including the City's electric Light and Power enterprise, LUB.

In 2004 the City and LUB entered into a series of separate agreements with ARPA to jointly construct and operate a new coal-fired electricity generating plant on the site of the City's gas-fired electric generating plant. The project became known as the Lamar Re-powering Project (LRP). Under terms of the agreements, ARPA would issue revenue bonds to finance LRP and manage the construction, the City and LUB would dedicate certain of the City's existing plant assets to LRP, and LUB would serve as Operating Agent of LRP after construction.

In 2013, after numerous construction problems, cost overruns and, finally, the failure of the plant to pass regulatory emissions tests and achieve permitted operating status, ARPA has concluded that LRP is a failure and has commenced the process of deconstruction the plant. That decision has had a negative impact on the revenues and employment of LUB and is expected to further negatively impact LUB's employment and revenues in subsequent periods.

During 2019, purchases of power by the City from ARPA were \$9,264,221.

Note 10

Landfill Closure and Post Closure Liability

State and federal laws and regulations require the City to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The estimated cost to perform all closure and post closure care was \$917,370, based on a cost estimate completed in April 2019 and subsequently modified by the Colorado Department of Public Health and Environment. The costs were comprised of \$562,579 of closure costs and \$354,791 of post-closure costs. The City currently filled an estimated 491,900 cubic meters on overall capacity of 1,314,539 cubic meters, for an estimated used amount of slightly more than 37 percent. Based on this usage, the City has recorded an inflation adjusted long-term liability of \$322,631, with current expense increase of \$1,871. This increase in the liability is primarily related to Colorado Department of Public Health and Environment modifications to closure and post-closure costs from update procedures after the April 2019 measurement and the annual inflation factor of 1.019 percent. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and post closure care or to exhibit financial assurance that it is able to finance these costs without the contributions to a trust. The City has demonstrated financial assurance and has restricted \$322,631 of its available

cash balance to meet this liability and as a result has not made any contributions to a trust.

Note 11 **Commitments and Contingencies**

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. In November 1995, voters within the City approved the collection, retention and expenditure of the full revenues generated by the City in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

The City has established an emergency reserve, representing 3 percent of qualifying expenditures, as required by the Amendment. At December 31, 2019, the emergency reserve of \$312,000 was recorded in the General Fund.

Note 12 **Net Position Deficit**

The City has an unrestricted net position deficit in the Ambulance Fund. This deficit is anticipated to be recovered through ongoing operations or internal fund transfers as needed.

Note 13 **Budget Violations**

The City's expenditures exceeded appropriations in the General, Fairmount, Sales Tax, and Ambulance Funds which may be a violation of Colorado statutes.

REQUIRED SUPPLEMENTARY INFORMATION
(Pension Schedules)

City of Lamar
Schedule of the City's Proportionate Share of the Net Pension Asset (Liability)
PERA Pension Plan
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,					
	2019	2018	2017	2016	2015	2014
City's proportion of the net pension asset (liability)	0.24254690%	0.237995%	0.261972%	0.226729%	0.342544%	0.369087%
City's proportionate share of the net pension asset (liability)	\$ (3,049,331)	\$ (2,649,906)	\$ (3,537,518)	\$ (2,938,240)	\$ (3,070,251)	\$ (3,037,293)
City's covered payroll	\$ 1,590,848	\$ 1,501,372	\$ 1,587,879	\$ 1,514,816	\$ 1,876,987	\$ 1,969,113
City's proportionate share of the net pension asset (liability) as a percentage of covered payroll	191.67%	176.50%	222.78%	193.97%	163.57%	154.25%
Plan fiduciary net position as a percentage of the total pension liability	75.95%	79.37%	73.65%	76.87%	80.72%	81.00%

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.

**City of Lamar
Schedule of City Contributions
PERA Pension Plan
Last 10 Fiscal Years ⁽¹⁾**

	For the Years Ended December 31,					
	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 233,630	\$ 190,374	\$ 201,343	\$ 192,079	\$ 238,002	\$ 249,683
Actual Contributions	<u>(233,630)</u>	<u>(190,374)</u>	<u>(201,343)</u>	<u>(192,079)</u>	<u>(238,002)</u>	<u>(249,683)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,590,848	\$ 1,501,372	\$ 1,587,879	\$ 1,514,816	\$ 1,876,987	\$ 1,969,113
Contributions as a percentage of covered payroll	14.68%	12.68%	12.68%	12.68%	12.68%	12.68%

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.

City of Lamar
Schedule of Changes in the City's Net Pension (Asset) Liability
FPPA Lamar Volunteer Fire Department Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,				
	2,019	2018	2017	2016	2015
<u>Total Pension Liability</u>					
Service Cost	\$ 6,592	\$ 6,592	\$ 5,643	\$ 5,643	\$ 7,265
Interest	26,248	24,794	15,999	15,196	13,208
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(54,349)	-	99,193	-	15,819
Changes of assumptions	15,530	-	7,613	-	-
Benefits payments	(12,000)	(12,000)	(11,315)	(9,000)	(8,984)
Net changes in total pension liability	(17,979)	19,386	117,133	11,839	27,308
Total Pension Liability - Beginning	352,623	333,237	216,104	204,265	176,957
Total Pension Liability - Ending (a)	<u>334,644</u>	<u>\$ 352,623</u>	<u>\$ 333,237</u>	<u>\$ 216,104</u>	<u>\$ 204,265</u>
<u>Plan Fiduciary Net Position</u>					
Contributions - Employer	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200
Contributions - Employee	-	-	-	-	-
Net investment income	(22)	127,194	44,326	14,222	47,876
Benefit payments, including refunds of employee contributions	(12,000)	(12,000)	(11,315)	(9,000)	(8,984)
Administrative expense	(10,110)	(9,182)	(1,578)	(2,364)	(1,498)
State of Colorado discretionary payment	-	12,780	12,780	12,780	25,560
Net change in plan fiduciary net position	(7,932)	132,992	58,413	29,838	77,154
Plan Fiduciary Net Position - Beginning	998,296	865,304	806,891	777,053	699,899
Plan Fiduciary Net Position - Ending (b)	<u>990,364</u>	<u>\$ 998,296</u>	<u>\$ 865,304</u>	<u>\$ 806,891</u>	<u>\$ 777,053</u>
City's Net Pension Liability/(Asset) - Ending (a) - (b)	<u>(655,720)</u>	<u>\$ (645,673)</u>	<u>\$ (532,067)</u>	<u>\$ (590,787)</u>	<u>\$ (572,788)</u>

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.

City of Lamar
Schedule of the City's Proportionate Share of the Net Pension Asset (Liability)
FPPA Lamar Volunteer Fire Department Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,					
	2019	2018	2017	2016	2015	2014
City's proportion of the net pension asset (liability)	100%	100%	100%	100%	100%	100%
City's proportionate share of the net pension asset (liability)	\$ 655,720	\$ 645,673	\$ 532,067	\$ 590,787	\$ 572,788	\$ 522,942
City's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
City's proportionate share of the net pension asset (liability) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	295.95%	283.11%	259.67%	373.38%	380.41%	395.52%

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.

City of Lamar
Schedule of City Contributions
FPPA Lamar Volunteer Fire Department Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,				
	2019	2018	2017	2016	2015
Contractually required contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Actual Contributions	<u>14,200</u>	<u>26,980</u>	<u>26,980</u>	<u>26,980</u>	<u>39,760</u>
Contribution deficiency (excess)	<u>\$ 14,200</u>	<u>\$ 26,980</u>	<u>\$ 26,980</u>	<u>\$ 26,980</u>	<u>\$ 39,760</u>
City's covered payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

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.

City of Lamar
Schedule of Changes in the City's Net Pension (Asset) Liability
FPPA Lamar Old Hire Fire Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,				
	2019	2018	2017	2016	2015
<u>Total Pension Liability</u>					
Interest	20,187	20,313	20,744	20,497	20,582
Differences between expected and actual experience	-	-	-	(13,105)	-
Benefits payments	(25,481)	(31,706)	(21,444)	(31,706)	(21,960)
Net changes in total pension liability	(5,294)	(11,393)	(700)	(24,314)	(1,378)
Total Pension Liability - Beginning	281,671	276,150	276,850	283,824	285,202
Total Pension Liability - Ending (a)	<u>\$ 276,377</u>	<u>\$ 264,757</u>	<u>\$ 276,150</u>	<u>\$ 259,510</u>	<u>\$ 283,824</u>
 <u>Plan Fiduciary Net Position</u>					
Contributions - Employer	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Employee	-	-	-	-	-
Net investment income	314	129,278	46,661	15,865	57,553
Benefit payments, including refunds of employee contributions	(25,481)	(31,706)	(21,444)	(31,706)	(21,960)
Administrative expense	(3,221)	(689)	(3,508)	(1,629)	(4,703)
Other	-	-	-	-	-
Net change in plan fiduciary net position	(28,388)	96,883	21,709	(17,470)	30,890
Plan Fiduciary Net Position - Beginning	993,207	886,062	864,353	881,823	850,933
Plan Fiduciary Net Position - Ending (b)	<u>\$ 964,819</u>	<u>\$ 982,945</u>	<u>\$ 886,062</u>	<u>\$ 864,353</u>	<u>\$ 881,823</u>
 City's Net Pension Liability/(Asset) - Ending (a) - (b)	<u>\$ (688,442)</u>	<u>\$ (718,188)</u>	<u>\$ (609,912)</u>	<u>\$ (604,843)</u>	<u>\$ (597,999)</u>

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.

City of Lamar
Schedule of the City's Proportionate Share of the Net Pension Asset (Liability)
FPPA Lamar Old Hire Fire Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,					
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension asset (liability)	100%	100%	100%	100%	100%	100%
City's proportionate share of the net pension asset (liability)	\$ 688,442	\$ 711,536	\$ 609,912	\$ 587,503	\$ 597,999	\$ 565,731
City's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
City's proportionate share of the net pension asset (liability) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	349.10%	352.61%	312.95%	304.63%	310.69%	298.36%

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.

City of Lamar
Schedule of City Contributions
FPPA Lamar Old Hire Fire Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,				
	2019	2018	2017	2016	2015
Contractually required contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Actual Contributions	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

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.

City of Lamar
Schedule of the City's Proportionate Share of the OPEB Asset (Liability)
PERA Health Care Trust Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,		
	2019	2018	2017
City's proportion of the net pension asset (liability)	0.018809%	0.018493%	0.020110%
City's proportionate share of the net pension asset (liability)	\$ (225,911)	\$ (240,339)	\$ (260,732)
City's covered payroll	\$ 1,590,848	\$ 1,501,373	\$ 276,273
City's proportionate share of the net pension asset (liability) as a percentage of covered payroll	14.20%	16.01%	94.37%
Plan fiduciary net position as a percentage of the total pension liability	17.03%	17.53%	16.70%

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.

City of Lamar
Schedule of City Contributions OPEB
PERA Health Care Trust Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,		
	2019	2018	2017
Contractually required contributions	\$ 16,227	\$ 15,314	\$ 2,818
Actual Contributions	(16,227)	(15,314)	(2,818)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
City's covered payroll	\$ 1,590,848	\$ 1,501,373	\$ 276,273
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%

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.

REQUIRED SUPPLEMENTARY INFORMATION

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City of Lamar, Colorado
Budget and Actual
General
For the year ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Property Taxes	\$ 431,145	\$ 431,145	\$ 432,576
SO Taxes	63,300	63,300	79,554
Fees and fines	50,650	50,650	55,883
Licenses and permits	225,000	225,000	136,575
Intergovernmental	909,357	909,357	584,873
Charges for services	558,793	558,793	593,878
Gifts and grants	-	-	1,030
Investment earnings	5,400	5,400	14,187
Miscellaneous	448,255	448,255	430,756
Total revenues	<u>2,691,900</u>	<u>2,691,900</u>	<u>2,329,312</u>
EXPENDITURES			
Current:			
General government	2,014,960	2,014,960	2,091,133
Public Safety	2,220,610	2,220,610	2,022,605
Highways and roads	1,359,210	1,359,210	1,368,373
Cemetery	1,994,189	1,994,189	2,040,189
Debt Service:			
Principal	736,691	736,691	361,637
Capital Outlay	169,614	169,614	620,268
Total Expenditures	<u>8,495,274</u>	<u>8,495,274</u>	<u>8,504,205</u>
Excess (deficiency) of revenues over expenditures	<u>(5,803,374)</u>	<u>(5,803,374)</u>	<u>(6,174,893)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,763,774	6,763,774	7,157,500
Transfers out	(975,000)	(975,000)	(970,097)
Total other financing sources and uses	<u>5,788,774</u>	<u>5,788,774</u>	<u>6,187,403</u>
Net change in fund balances	(14,600)	(14,600)	12,510
Fund balances - beginning	5,743,712	5,743,712	5,518,996
Fund balances - ending	<u>\$ 5,729,112</u>	<u>\$ 5,729,112</u>	<u>\$ 5,531,506</u>

OTHER SUPPLEMENTARY INFORMATION

**City of Lamar, Colorado
Balance Sheet
Other Governmental Funds
December 31, 2019**

	<u>Conservation Trust</u>	<u>Lamar Redevelopment Authority</u>	<u>Victims Assistance</u>	<u>E-911</u>	<u>Fairmount Investment Trust</u>	<u>Library</u>	<u>Sales Tax</u>	<u>Total Special Revenue Funds</u>
ASSETS								
Cash and cash equivalents	\$ 282,604	\$ 286,947	\$ 67,905	\$ 4	\$ 313,558	\$ 66,527	\$ 1,829	\$ 1,019,374
Due from other funds	-	-	17	-	89	-	1,169	1,275
Receivable from other governments	-	-	-	110,001	-	-	-	110,001
Other receivables	-	-	23	-	306	-	396,908	397,237
Total assets	<u>282,604</u>	<u>286,947</u>	<u>67,945</u>	<u>110,005</u>	<u>313,953</u>	<u>66,527</u>	<u>399,906</u>	<u>1,527,887</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	-	-	250	7,876	-	589	-	8,715
Due to other funds	-	-	-	56,087	-	-	-	56,087
Other accrued expenses	-	-	-	4,522	-	-	-	4,522
Total liabilities	<u>-</u>	<u>-</u>	<u>250</u>	<u>68,485</u>	<u>-</u>	<u>589</u>	<u>-</u>	<u>69,324</u>
Fund balances:								
Committed	-	-	67,695	-	-	-	-	67,695
Restricted	<u>282,604</u>	<u>286,947</u>	<u>-</u>	<u>41,520</u>	<u>313,953</u>	<u>65,938</u>	<u>399,906</u>	<u>1,390,868</u>
Total fund balances	<u>282,604</u>	<u>286,947</u>	<u>67,695</u>	<u>41,520</u>	<u>313,953</u>	<u>65,938</u>	<u>399,906</u>	<u>1,458,563</u>
Total liabilities and fund balances	<u>\$ 282,604</u>	<u>\$ 286,947</u>	<u>\$ 67,945</u>	<u>\$110,005</u>	<u>\$ 313,953</u>	<u>\$ 66,527</u>	<u>\$ 399,906</u>	<u>\$ 1,527,887</u>

City of Lamar, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended December 31, 2019

	Conservation Trust	Lamar Redevelopment Authority	Victims Assistance	E-911	Fairmount Investment Trust	Library	Sales Tax	Total Special Revenue Funds
REVENUES								
Property taxes	\$ -	\$ 160,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,120
Sales taxes	-	-	-	-	-	-	4,044,412	4,044,412
Fees and fines	-	-	-	-	-	-	5,103	5,103
Licenses and permits	-	-	-	-	-	-	16,340	16,340
Intergovernmental	85,337	-	-	282,164	-	-	-	367,501
Charges for services	-	-	12,574	-	6,684	-	-	19,258
Investment earnings	564	1,292	443	-	1,475	155	170	4,099
Miscellaneous	-	705	233	1,143	538	8,544	(999)	10,164
Total revenues	85,901	162,117	13,250	283,307	8,697	8,699	4,065,026	4,626,997
EXPENDITURES								
Current:								
General government	-	106,707	-	-	-	-	115,030	221,737
Public Safety	-	-	5,637	460,754	-	-	-	466,391
Health and sanitation	-	-	-	-	3,051	-	-	3,051
Culture and recreation	34,718	-	-	-	-	15,987	-	50,705
Capital Outlay	15,973	-	-	-	29,123	-	-	45,096
Total Expenditures	50,691	106,707	5,637	460,754	32,174	15,987	115,030	786,980
Excess (deficiency) of revenues over expenditures	35,210	55,410	7,613	(177,447)	(23,477)	(7,288)	3,949,996	3,840,017
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	195,000	-	-	-	195,000
Transfers out	(31,000)	-	-	-	(1,416)	-	(3,844,930)	(3,877,346)
Total other financing sources and uses	(31,000)	-	-	195,000	(1,416)	-	(3,844,930)	(3,682,346)
Net change in fund balances	4,210	55,410	7,613	17,553	(24,893)	(7,288)	105,066	157,671
Fund balances - beginning	278,394	231,537	60,082	23,967	338,846	73,226	294,840	1,300,892
Fund balances - ending	\$ 282,604	\$ 286,947	\$ 67,695	\$ 41,520	\$ 313,953	\$ 65,938	\$ 399,906	\$ 1,458,563

CAPITAL PROJECTS FUND

Capital Projects Fund – This fund accounts for construction of capital assets including street improvements, large equipment acquisitions and other capital improvements.

City of Lamar, Colorado
Budget and Actual
Capital Projects
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Intergovernmental	\$ 2,146,000	\$ 2,146,000	\$ 1,149,126
Investment earnings	3,500	3,500	2,131
Miscellaneous	95,000	95,000	198,306
Total revenues	<u>2,244,500</u>	<u>2,244,500</u>	<u>1,349,563</u>
EXPENDITURES			
Current:			
Culture and recreation	-	-	134,087
Capital Outlay	<u>2,326,000</u>	<u>2,326,000</u>	<u>981,350</u>
Total Expenditures	<u>2,326,000</u>	<u>2,326,000</u>	<u>1,115,437</u>
Excess (deficiency) of revenues over expenditures	<u>(81,500)</u>	<u>(81,500)</u>	<u>234,126</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	31,000
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>31,000</u>
Net change in fund balances	(81,500)	(81,500)	265,126
Fund balances - beginning	169,079	169,079	442,400
Fund balances - ending	<u>\$ 87,579</u>	<u>\$ 87,579</u>	<u>\$ 707,526</u>

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources, other than special assessments, expendable trusts, or major capital projects, that are legally restricted to expenditures for specified purposes.

Conservation Trust Fund – This fund accounts for lottery proceeds received from the State government. Expenditures are restricted to the development or improvement of City parks.

Lamar Redevelopment Authority Fund – This fund accounts for tax increment financing that is available to reinvest in the urban renewal district for property enhancements or new development incentives.

Victims' Assistance Fund – This fund accounts for the surcharge on certain fines and tickets and can reimburse victims for out-of-pocket expenses.

E-911 Fund – This fund accounts for all emergency services and communications relating to emergency services.

Fairmount Investment Trust Fund – This fund accounts for the proceeds from the sale of cemetery lots. Interest earnings are restricted to maintenance of the cemetery by a transfer to the General Fund.

Library Fund – This fund accounts for the activity at the City Library.

Sales Tax Fund – This fund accounts for sales and use taxes collected. The taxes collected can be transferred to other entities within the City or can be used to benefit the City.

City of Lamar, Colorado
Budget and Actual
Conservation Trust
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Intergovernmental	\$ 75,000	\$ 75,000	\$ 85,337
Charges for services	-	(1,000)	-
Investment earnings	450	450	564
Total revenues	<u>75,450</u>	<u>74,450</u>	<u>85,901</u>
EXPENDITURES			
Current:			
Culture and recreation	26,000	33,650	34,718
Capital Outlay	-	-	15,973
Total Expenditures	<u>26,000</u>	<u>33,650</u>	<u>50,691</u>
Excess (deficiency) of revenues over expenditures	<u>49,450</u>	<u>40,800</u>	<u>35,210</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(50,000)	(50,000)	(31,000)
Total other financing sources and uses	<u>(50,000)</u>	<u>(50,000)</u>	<u>(31,000)</u>
Net change in fund balances	(550)	(9,200)	4,210
Fund balances - beginning	229,665	229,665	278,394
Fund balances - ending	<u>\$ 229,115</u>	<u>\$ 220,465</u>	<u>\$ 282,604</u>

**City of Lamar, Colorado
Budget and Actual
Lamar Redevelopment Authority
For the year ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Property Taxes	\$ 151,069	\$ 151,069	\$ 160,120
Investment earnings	800	800	1,292
Miscellaneous	-	-	705
Total revenues	<u>151,869</u>	<u>151,869</u>	<u>162,117</u>
EXPENDITURES			
Current:			
General government	<u>173,650</u>	<u>173,650</u>	<u>106,707</u>
Total Expenditures	<u>173,650</u>	<u>173,650</u>	<u>106,707</u>
Excess (deficiency) of revenues over expenditures	<u>(21,781)</u>	<u>(21,781)</u>	<u>55,410</u>
Net change in fund balances	(21,781)	(21,781)	55,410
Fund balances - beginning	-	-	231,537
Fund balances - ending	<u>\$ (21,781)</u>	<u>\$ (21,781)</u>	<u>\$ 286,947</u>

City of Lamar, Colorado
Budget and Actual
Victims Assistance
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for services	\$ 12,000	\$ 12,000	\$ 12,574
Investment earnings	100	100	443
Miscellaneous	250	250	233
Total revenues	<u>12,350</u>	<u>12,350</u>	<u>13,250</u>
EXPENDITURES			
Current:			
Public Safety	<u>16,400</u>	<u>16,400</u>	<u>5,637</u>
Total Expenditures	<u>16,400</u>	<u>16,400</u>	<u>5,637</u>
Excess (deficiency) of revenues over expenditures	<u>(4,050)</u>	<u>(4,050)</u>	<u>7,613</u>
Net change in fund balances	(4,050)	(4,050)	7,613
Fund balances - beginning	43,093	43,093	60,082
Fund balances - ending	<u>\$ 39,043</u>	<u>\$ 39,043</u>	<u>\$ 67,695</u>

City of Lamar, Colorado
Budget and Actual
E-911
For the year ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ 310,000	\$ 310,000	\$ 282,164
Miscellaneous	-	-	1,143
Total revenues	<u>310,000</u>	<u>310,000</u>	<u>283,307</u>
EXPENDITURES			
Current:			
Public Safety	<u>506,567</u>	<u>506,567</u>	<u>460,754</u>
Total Expenditures	<u>506,567</u>	<u>506,567</u>	<u>460,754</u>
Excess (deficiency) of revenues over expenditures	<u>(196,567)</u>	<u>(196,567)</u>	<u>(177,447)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	195,000	195,000	195,000
Transfers out	-	-	-
Total other financing sources and uses	<u>195,000</u>	<u>195,000</u>	<u>195,000</u>
Net change in fund balances	(1,567)	(1,567)	17,553
Fund balances - beginning	40,091	40,091	23,967
Fund balances - ending	<u>\$ 38,524</u>	<u>\$ 38,524</u>	<u>\$ 41,520</u>

City of Lamar, Colorado
Budget and Actual
Fairmount Investment Trust
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for services	\$ 7,500	\$ 7,500	\$ 6,684
Investment earnings	1,500	1,500	1,475
Miscellaneous	-	-	538
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>8,697</u>
EXPENDITURES			
Current:			
Health and sanitation	800	800	3,051
Capital Outlay	<u>30,000</u>	<u>30,000</u>	<u>29,123</u>
Total Expenditures	<u>30,800</u>	<u>30,800</u>	<u>32,174</u>
Excess (deficiency) of revenues over expenditures	<u>(21,800)</u>	<u>(21,800)</u>	<u>(23,477)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(1,500)</u>	<u>(1,500)</u>	<u>(1,416)</u>
Total other financing sources and uses	<u>(1,500)</u>	<u>(1,500)</u>	<u>(1,416)</u>
Net change in fund balances	(23,300)	(23,300)	(24,893)
Fund balances - beginning	300,244	300,244	338,846
Fund balances - ending	<u>\$ 276,944</u>	<u>\$ 276,944</u>	<u>\$ 313,953</u>

City of Lamar, Colorado
Budget and Actual
Library
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Intergovernmental	\$ 20,000	\$ 20,000	\$ -
Investment earnings	200	200	155
Miscellaneous	10,000	10,000	8,544
Total revenues	<u>30,200</u>	<u>30,200</u>	<u>8,699</u>
EXPENDITURES			
Current:			
Culture and recreation	30,200	30,200	15,987
Capital Outlay	10,000	10,000	-
Total Expenditures	<u>40,200</u>	<u>40,200</u>	<u>15,987</u>
Excess (deficiency) of revenues over expenditures	<u>(10,000)</u>	<u>(10,000)</u>	<u>(7,288)</u>
Net change in fund balances	(10,000)	(10,000)	(7,288)
Fund balances - beginning	56,383	56,383	73,226
Fund balances - ending	<u>\$ 46,383</u>	<u>\$ 46,383</u>	<u>\$ 65,938</u>

City of Lamar, Colorado
Budget and Actual
Sales Tax
For the year ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Sales and miscellaneous taxes	\$ 3,922,800	\$ 3,922,800	\$ 4,044,412
Fees and fines	8,500	8,500	5,103
Licenses and permits	14,000	14,000	16,340
Investment earnings	140	140	170
Miscellaneous	80	80	(999)
Total revenues	<u>3,945,520</u>	<u>3,945,520</u>	<u>4,065,026</u>
EXPENDITURES			
Current:			
General government	<u>102,500</u>	<u>102,500</u>	<u>115,030</u>
Total Expenditures	<u>102,500</u>	<u>102,500</u>	<u>115,030</u>
Excess (deficiency) of revenues over expenditures	<u>3,843,020</u>	<u>3,843,020</u>	<u>3,949,996</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(3,842,500)</u>	<u>(3,842,500)</u>	<u>(3,844,930)</u>
Total other financing sources and uses	<u>(3,842,500)</u>	<u>(3,842,500)</u>	<u>(3,844,930)</u>
Net change in fund balances	520	520	105,066
Fund balances - beginning	30,652	30,652	105,066
Fund balances - ending	<u>\$ 31,172</u>	<u>\$ 31,172</u>	<u>\$ 210,132</u>

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises. The costs of providing goods or services to the general public on a continuing basis are recovered primarily from user charges.

The following are the Enterprise Funds of the City:

Utility Fund – This fund accounts for all activities necessary for the provision of electrical services for area residents and businesses, including agricultural usage.

Water Fund – This fund accounts for all activities necessary for the provision of water services to City residents.

Sanitation Fund – This fund accounts for the provision of waste management services to City residents.

Ambulance Fund – This fund accounts for the activities necessary for the operation of the City's ambulance services.

City of Lamar, Colorado
Budget and Actual
Utility Fund
For the year ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 16,585,323	\$ 16,585,323	\$ 14,876,785
Investment earnings	50,000	50,000	54,157
Miscellaneous	352,250	352,250	695,190
Total revenues	<u>16,987,573</u>	<u>16,987,573</u>	<u>15,626,132</u>
OPERATING EXPENSES			
Personal services	1,372,307	1,372,307	925,387
Purchased power	9,642,090	9,642,090	9,264,221
Repairs and maintenance	1,707,715	1,707,715	1,822,298
Other supplies and expenses	245,757	245,757	211,606
Insurance claims and expenses	260,000	260,000	254,816
Capital Outlay	1,006,000	1,006,000	818,458
Depreciation	900,000	900,000	849,102
Interest	41,496	41,496	41,626
Miscellaneous including debt service	701,354	701,354	477,694
Total Operating Expenses	<u>15,876,719</u>	<u>15,876,719</u>	<u>14,665,208</u>
Operating income (loss)	<u>1,110,854</u>	<u>1,110,854</u>	<u>960,924</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,705,057)	(1,705,057)	(1,847,557)
Total other financing sources and uses	<u>(1,705,057)</u>	<u>(1,705,057)</u>	<u>(1,847,557)</u>
Net change in fund balances	(594,203)	(594,203)	(886,633)
Fund balances - beginning	-	-	19,316,914
ADJUSTMENTS:			
Capital Outlay	-	-	818,458
Depreciation	900,000	900,000	-
Debt Service	-	-	344,854
Fund balances - ending	<u>\$ 305,797</u>	<u>\$ 305,797</u>	<u>\$ 19,593,593</u>

City of Lamar, Colorado
Budget and Actual
Water
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 3,067,781	\$ 3,067,781	\$ 3,011,136
Investment earnings	2,600	2,600	4,877
Operating grants and contributions	1,340,000	1,340,000	-
Miscellaneous	20,243	20,243	8,445
Total revenues	<u>4,430,624</u>	<u>4,430,624</u>	<u>3,024,458</u>
OPERATING EXPENSES			
Personal services	623,204	623,204	562,526
Contractual services	18,200	18,200	15,021
Purchased power	214,000	214,000	287,627
Utilities	4,500	4,500	5,772
Repairs and maintenance	453,500	453,500	53,920
Other supplies and expenses	680,000	680,000	260,082
Insurance claims and expenses	68,921	68,921	63,283
Capital Outlay	400,000	400,000	99,340
Depreciation	463,000	463,000	397,767
Interest	125,870	125,870	128,053
Miscellaneous including debt service	975,039	975,039	181,885
Total Operating Expenses	<u>4,026,234</u>	<u>4,026,234</u>	<u>2,055,276</u>
Operating income (loss)	<u>404,390</u>	<u>404,390</u>	<u>969,182</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(402,951)	(402,951)	(402,951)
Total other financing sources and uses	<u>(402,951)</u>	<u>(402,951)</u>	<u>(402,951)</u>
Net change in fund balances	1,439	1,439	566,231
Fund balances - beginning	<u>10,154,692</u>	<u>10,154,692</u>	<u>8,842,775</u>
ADJUSTMENTS:			
Capital Outlay	1,490,000	1,490,000	99,340
Debt Service	749,539	749,539	110,000
Fund balances - ending	<u>\$ 12,395,670</u>	<u>\$ 12,395,670</u>	<u>\$ 9,618,346</u>

City of Lamar, Colorado
Budget and Actual
Sanitation
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 1,542,168	\$ 1,542,168	\$ 1,430,591
Investment earnings	3,180	3,180	4,152
Miscellaneous	7,699	7,699	15,631
Total revenues	<u>1,553,047</u>	<u>1,553,047</u>	<u>1,450,374</u>
OPERATING EXPENSES			
Personal services	518,978	518,978	479,920
Utilities	10,050	10,050	10,361
Repairs and maintenance	225,724	225,724	257,673
Other supplies and expenses	121,600	121,600	179,848
Insurance claims and expenses	20,625	20,625	19,885
Capital outlay	272,000	272,000	182,793
Depreciation and amortization	105,000	105,000	81,011
Miscellaneous	55,276	55,276	-
Total Operating Expenses	<u>1,329,253</u>	<u>1,329,253</u>	<u>1,211,491</u>
Operating income (loss)	<u>223,794</u>	<u>223,794</u>	<u>238,883</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	91,000	91,000	-
Transfers out	(310,646)	(310,646)	(310,646)
Total other financing sources and uses	<u>(219,646)</u>	<u>(219,646)</u>	<u>(310,646)</u>
Net change in fund balances	4,148	4,148	(71,763)
Fund balances - beginning	2,081,201	2,081,201	1,888,296
ADJUSTMENTS:			
Capital Outlay	272,000	272,000	182,793
Fund balances - ending	<u>\$ 2,357,349</u>	<u>\$ 2,357,349</u>	<u>\$ 1,999,326</u>

City of Lamar, Colorado
Budget and Actual
Ambulance
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 283,725	\$ 283,725	\$ 255,215
Investment earnings	-	-	86
Operating grants and contributions	253,273	253,273	244,336
Miscellaneous	5,500	5,300	26,153
Total revenues	<u>542,498</u>	<u>542,298</u>	<u>525,790</u>
OPERATING EXPENSES			
Personal services	324,956	324,956	301,961
Utilities	60	60	55
Repairs and maintenance	8,500	8,500	6,316
Other supplies and expenses	33,000	33,000	44,061
Insurance claims and expenses	23,541	23,541	21,563
Capital Outlay	247,273	247,273	245,875
Depreciation	50,000	50,000	46,452
Miscellaneous including debt service	34,000	34,000	1,496
Total Operating Expenses	<u>721,330</u>	<u>721,330</u>	<u>667,779</u>
Operating income (loss)	<u>(178,832)</u>	<u>(179,032)</u>	<u>(141,989)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	60,000	60,000	270,973
Transfers out	-	-	(245,875)
Total other financing sources and uses	<u>60,000</u>	<u>60,000</u>	<u>25,098</u>
Net change in fund balances	(118,832)	(119,032)	(116,891)
Fund balances - beginning	(7,399)	(7,399)	(145,268)
ADJUSTMENTS:			
Capital Outlay	247,273	247,273	245,875
Fund balances - ending	<u>\$ 121,042</u>	<u>\$ 120,842</u>	<u>\$ (16,284)</u>

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Lamar
		YEAR ENDING : December 2019
This Information From The Records Of (example - City of _ or County of _) City of Lamar	Prepared By: Phone:	Kristin McCrea 719-336-1373

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)	646,017
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	513,677
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	4,282
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	1,403,090	c. Other	164,673
4. Miscellaneous local receipts (from page 2)	11,483	d. Total (a. through c.)	168,955
5. Transfers from toll facilities		4. General administration & miscellaneous	43,773
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	378,502
a. Bonds - Original Issues		6. Total (1 through 5)	1,750,924
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,414,573	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	336,351	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	1,750,924	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)	1,750,924

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				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
		1,750,924	1,750,924		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	45,087	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	11,483
1. Sales Taxes	1,307,208	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	50,795	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,358,003	h. Other	
c. Total (a. + b.)	1,403,090	i. Total (a. through h.)	11,483
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	310,396	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	25,955	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	25,955	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	336,351	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		10,098	10,098
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		386,024	386,024
(4). System Enhancement & Operation		249,895	249,895
(5). Total Construction (1) + (2) + (3) + (4)	0	635,919	635,919
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	646,017	646,017
			(Carry forward to page 1)

Notes and Comments: