



## FINANCIAL STATEMENTS

Year Ended December 31, 2020



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## Independent Auditors' Report

The Mayor and Members  
of the Board of Trustees  
Town of Eaton  
Eaton, Colorado

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Eaton, Colorado as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 evaluation of 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 opinion.

## **Opinion**

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Eaton as of December 31, 2020, and the respective changes in financial position and cash flows where applicable for the year then ended, in conformity with accounting principles generally accepted in the United States.

## **Other Matters**

Accounting principles generally accepted in the United States require that management discussion and analysis and major governmental funds budget comparisons be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statement, 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, 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 evidence sufficient to express an opinion or provide any assurance.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining statements, individual fund statements and schedules on pages 42-49 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Anderson & Whitney, P.C.*

June 7, 2021

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of The Town of Eaton (the Town) for the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the Town's financial performance.

### FINANCIAL HIGHLIGHTS

- The Town's assets exceeded liabilities and deferred inflows by \$47 million at December 31, 2020.
- The General Fund balance was \$3,377,941 as of December 31, 2020. Of this amount, \$90,218 is reserved for emergencies.
- The December 31, 2020 General Fund balance is \$515,817 more than the previous year-end. The total fund balance is 113% of 2020 General Fund operating expenditures.
- The Water Fund has net position of \$19.9 million at December 31, 2020.
- The Sewer Fund has net position of \$3.7 million at December 31, 2020.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Fund, Impact Fee Fund and Library Fund, each of which is considered to be a major fund.

The basic governmental fund financial statements can be found on pages 12 to 16 of this report.

**Proprietary Funds.** The Town maintains one type of a proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its utility services.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water and sewer funds which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found on pages 16 to 18 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 through 32 of this report.

**Budgetary Comparisons.** The Town adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund on pages 34 to 37 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2020, assets exceeded liabilities by \$47,150,042.

The following table provides a summary of the Town's net position:

| December 31                      | 2020                    |                          | 2019                    |                          |
|----------------------------------|-------------------------|--------------------------|-------------------------|--------------------------|
|                                  | Governmental Activities | Business-Type Activities | Governmental Activities | Business-Type Activities |
| <b>Assets</b>                    |                         |                          |                         |                          |
| Current and other assets         | \$ 11,917,449           | \$ 5,931,245             | \$ 9,993,509            | \$ 6,559,867             |
| Capital assets                   | 12,976,010              | 21,544,880               | 12,749,631              | 20,585,618               |
| Total Assets                     | 24,893,459              | 27,476,125               | 22,743,140              | 27,145,485               |
| <b>Liabilities</b>               |                         |                          |                         |                          |
| Current and other liabilities    | 450,358                 | 548,669                  | 204,516                 | 508,007                  |
| Long-term liabilities            | 205,952                 | 2,114,537                | 382,358                 | 2,553,175                |
| Total Liabilities                | 656,310                 | 2,663,206                | 586,874                 | 3,061,182                |
| <b>Deferred Inflows</b>          |                         |                          |                         |                          |
| Deferred property taxes          | 1,900,026               | --                       | 1,778,562               | --                       |
| <b>Net Position</b>              |                         |                          |                         |                          |
| Net investment in capital assets | 12,690,794              | 18,998,170               | 12,280,349              | 17,612,162               |
| Restricted                       | 6,439,745               | --                       | 5,389,872               | --                       |
| Unrestricted                     | 3,206,584               | 5,814,749                | 2,707,483               | 6,472,141                |
| Total Net Position               | \$ 22,337,123           | \$ 24,812,919            | \$ 20,377,704           | \$ 24,084,303            |

A portion of The Town's net position represents unrestricted net position of \$31,688,964 which may be used to meet the Town's ongoing obligations to citizens and creditors.

Another significant portion of the Town's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The only long-term debt is the bonds and leases issued for construction of Town utility systems and property acquisition.

An additional \$6,439,745 of the Town's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserve, Shelton trust account, and the Streets, Library, Impact Fee and Cemetery Perpetual Care funds.

The following table indicates the changes in net position:

| Years Ended December 31      | 2020                    |                          | 2019                    |                          |
|------------------------------|-------------------------|--------------------------|-------------------------|--------------------------|
|                              | Governmental Activities | Business-Type Activities | Governmental Activities | Business-Type Activities |
| Revenues:                    |                         |                          |                         |                          |
| Program revenues:            |                         |                          |                         |                          |
| Charges for services         | \$ 677,342              | \$ 3,596,469             | \$ 766,752              | \$ 3,267,828             |
| Operating contributions      | 1,642,090               | --                       | 1,257,397               | --                       |
| Capital contributions        | --                      | 407,737                  | --                      | 1,253,714                |
| General revenues:            |                         |                          |                         |                          |
| Property taxes               | 432,355                 | --                       | 346,911                 | --                       |
| Sales taxes                  | 2,811,486               | --                       | 2,479,775               | --                       |
| Other                        | 702,433                 | --                       | 885,903                 | --                       |
| Investment earnings          | 25,492                  | 1,155                    | 55,742                  | 1,700                    |
| Transfers                    | 76,000                  | (76,000)                 | 66,000                  | (66,000)                 |
| Total revenues               | 6,367,198               | 3,929,361                | 5,858,480               | 4,457,242                |
| Expenses:                    |                         |                          |                         |                          |
| General government           | 861,664                 | --                       | 673,254                 | --                       |
| Public safety                | 1,104,182               | --                       | 1,029,731               | --                       |
| Cemetery                     | 165,043                 | --                       | 131,875                 | --                       |
| Parks and recreation         | 260,965                 | --                       | 252,032                 | --                       |
| Public buildings             | 79,011                  | --                       | 83,125                  | --                       |
| Building inspection/planning | 269,530                 | --                       | 145,176                 | --                       |
| Library                      | 551,874                 | --                       | 534,751                 | --                       |
| Streets                      | 258,444                 | --                       | 489,413                 | --                       |
| Depreciation                 | 840,425                 | --                       | 755,850                 | --                       |
| Interest on long-term debt   | 16,641                  | --                       | 42,807                  | --                       |
| Water                        | --                      | 1,786,145                | --                      | 1,886,429                |
| Sewer                        | --                      | 841,892                  | --                      | 822,722                  |
| Sanitation                   | --                      | 489,548                  | --                      | 281,458                  |
| Irrigation                   | --                      | 83,160                   | --                      | 88,103                   |
| Total expenses               | 4,407,779               | 3,200,745                | 4,138,014               | 3,078,712                |
| Increase in net position     | \$ 1,959,419            | \$ 728,616               | \$ 1,720,466            | \$ 1,378,530             |

**Governmental Activities.** Governmental activities increased the Town's net position by \$1,959,419 in 2020. Key elements of this increase are as follows:

- Total revenues increased approximately 9%, due to higher sales tax collections and library revenues.
- Expenses increased approximately 6% from the previous year, from increased planning and development costs.

**Business-Type Activities.** Business-type activities (i.e. utility services) increased the Town's net position by \$728,616 in 2020. This was primarily due to capital contributions from tap fees and higher water service charge.



## FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

As of December 31, 2020, the total fund balances of the Town's governmental funds were \$9.6 million. Approximately 33% of this consists of unrestricted fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is restricted to indicate that it is not available for new spending because it is committed for the following purposes: a state-constitution mandated emergency reserve (\$89,783); cemetery perpetual care (\$133,959); Shelton Trust purposes (\$81,574), streets (\$1,007,340), library (\$3,879,379) and impact fee purposes (\$1,247,710).

The Town has four major governmental funds:

1. **General Fund.** This is the primary operating fund of the Town. It accounts for the Town's core governmental services. The General Fund balance was \$3,377,941 as of December 31, 2020. The 2020 fund balance is \$515,817 more than the previous year.
2. **Library Fund.** The Library Fund accounts for the operation of the Town's library. The fund balance at December 31, 2020 was \$3,879,379.
3. **Impact Fee Fund.** The Impact Fee Fund accounts for monies received for impact fees. The fund balance at December 31, 2020 was \$1,247,710.
4. **Street Fund.** The Street Fund account for monies received for street maintenance. The fund balance at December 31, 2020 was \$1,007,340.

The Town has two major enterprise funds, the Water and Sewer Funds:

1. **Water Fund.** The Water Fund accounts for service charges and expenses of operating the Town's water system. The Water Fund net position at December 31, 2020 is \$19.9 million. Net position increased by \$606,722 during the year due to increased water use and tap fees..
2. **Sewer Fund.** The Sewer Fund accounts for service charges and expenses of operating the Town's sanitary sewer system. The Sewer Fund net position at December 31, 2020 is \$3.7 million. Net position increased by \$70,736.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

|                          | Final<br>Budget | Actual       |
|--------------------------|-----------------|--------------|
| Beginning Fund Balance   | \$ 2,862,124    | \$ 2,862,124 |
| Revenue and transfers in | 2,832,250       | 3,508,583    |
| Expenditures             | (3,324,264)     | (2,992,766)  |
| Ending Fund Balance      | \$ 2,370,110    | \$ 3,377,941 |

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets.** The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2020 totals approximately \$34 million (net of accumulated depreciation). This investment includes all land, water rights, buildings, and equipment and infrastructure. The total net increase in investment in capital assets for the current year was \$1,185,642 or 3%, due to capital additions being more than depreciation expenses.

Major capital asset events during 2020 included purchases of \$650,000 in water rights through the NISP project.

The Town implemented the straight-line depreciation method for its capital assets, except for land and water rights which are not depreciated.

Additional information on the Town's capital assets can be found in Note 6 of this report.

**Long-term Debt.** At December 31, 2020, the Town had approximately \$2.5 million of water and sewer loans and bonds payable, funded by service charges. The Town also has capital leases payable of \$285,216 from property acquisition, funded from impact fees and use taxes on building materials.

Additional information on the Town's debt can be found in Notes 3 and 4.

## OTHER MATTERS

The following factors are expected to have a significant effect on the Town's financial position and results of operations and were taken into account in developing the 2021 budget:

- \* The Town had a water utility rate study in 2019 and ongoing rate increases for residential customers were recommended.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Eaton finances for all those with an interest in the Towns' finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Town, 223 First Street, Eaton, Colorado 80615.

# TOWN OF EATON, COLORADO

## STATEMENT OF NET POSITION

| December 31, 2020                           | Governmental<br>Activities | Business-<br>Type<br>Activities | Total               |
|---------------------------------------------|----------------------------|---------------------------------|---------------------|
| <b><u>ASSETS</u></b>                        |                            |                                 |                     |
| Total Cash and Investments                  | \$ 9,917,637               | \$ 5,588,748                    | \$ 15,506,385       |
| Shelton Trust Account                       | 81,574                     | -                               | 81,574              |
| Receivables:                                |                            |                                 |                     |
| Property taxes                              | 1,912,302                  | -                               | 1,912,302           |
| Utility accounts                            | -                          | 298,236                         | 298,236             |
| Inventory of Supplies                       | 5,936                      | 44,261                          | 50,197              |
| Capital Assets:                             |                            |                                 |                     |
| Land and water rights                       | 2,972,003                  | 12,282,163                      | 15,254,166          |
| Depreciable                                 | 10,004,007                 | 9,262,717                       | 19,266,724          |
| Total Assets                                | 24,893,459                 | 27,476,125                      | 52,369,584          |
| <b><u>LIABILITIES</u></b>                   |                            |                                 |                     |
| Accounts Payable                            | 371,094                    | 116,496                         | 487,590             |
| Long-Term Debt:                             |                            |                                 |                     |
| Due within one year                         | 79,264                     | 432,173                         | 511,437             |
| Due in more than one year                   | 205,952                    | 2,114,537                       | 2,320,489           |
| Total Liabilities                           | 656,310                    | 2,663,206                       | 3,319,516           |
| <b><u>DEFERRED INFLOWS OF RESOURCES</u></b> |                            |                                 |                     |
| Deferred Property Taxes                     | 1,900,026                  | -                               | 1,900,026           |
| <b><u>NET POSITION</u></b>                  |                            |                                 |                     |
| Net Investment in Capital Assets            | 12,690,794                 | 18,998,170                      | 31,688,964          |
| Restricted for:                             |                            |                                 |                     |
| TABOR emergencies                           | 89,783                     | -                               | 89,783              |
| Shelton Trust                               | 81,574                     | -                               | 81,574              |
| Library                                     | 3,879,379                  | -                               | 3,879,379           |
| Streets/impact fees                         | 2,255,050                  | -                               | 2,255,050           |
| Cemetery perpetual care                     | 133,959                    | -                               | 133,959             |
| Unrestricted                                | 3,206,584                  | 5,814,749                       | 9,021,333           |
| <b>TOTAL NET POSITION</b>                   | <b>\$22,337,123</b>        | <b>\$24,812,919</b>             | <b>\$47,150,042</b> |

See Accompanying Notes to Financial Statements.

# TOWN OF EATON, COLORADO

## STATEMENT OF ACTIVITIES

| Year Ended December 31, 2020   | Expenses     | Charges<br>for<br>Services |
|--------------------------------|--------------|----------------------------|
| Functions/Programs:            |              |                            |
| Governmental Activities:       |              |                            |
| General government             | \$ 861,664   | \$ 4,954                   |
| Public safety                  | 1,104,182    | 342,705                    |
| Cemetery                       | 165,043      | 66,019                     |
| Parks and recreation           | 260,965      | -                          |
| Public buildings               | 79,011       | -                          |
| Building inspection/ planning  | 269,530      | 262,437                    |
| Library                        | 551,874      | 1,227                      |
| Streets                        | 258,444      | -                          |
| Unallocated depreciation       | 840,425      | -                          |
| Interest on long-term debt     | 16,641       | -                          |
| Total Governmental Activities  | 4,407,779    | 677,342                    |
| Business-Type Activities:      |              |                            |
| Water                          | 1,786,145    | 2,117,099                  |
| Sewer                          | 841,892      | 831,504                    |
| Sanitation                     | 489,548      | 517,725                    |
| Irrigation                     | 83,160       | 130,141                    |
| Total Business-Type Activities | 3,200,745    | 3,596,469                  |
| TOTAL                          | \$ 7,608,524 | \$4,273,811                |

### General Revenue:

Property taxes  
Sales taxes  
Franchise and other taxes  
Use taxes - building materials  
Impact fees  
Road and bridge taxes  
Investment earnings  
Transfers

### Total General Revenue

Change in Net Position

Net Position - Beginning

NET POSITION - Ending

See Accompanying Notes to Financial Statements.

| Program Revenues                         |                          | Net (Expense) Revenue<br>and Changes in Net Position |                                 |               |  |
|------------------------------------------|--------------------------|------------------------------------------------------|---------------------------------|---------------|--|
| Operating<br>Grants and<br>Contributions | Capital<br>Contributions | Governmental<br>Activities                           | Business-<br>Type<br>Activities | Total         |  |
| \$ 72,052                                | \$ -                     | \$ (784,658)                                         | \$ -                            | \$ (784,658)  |  |
| -                                        | -                        | (761,477)                                            | -                               | (761,477)     |  |
| -                                        | -                        | (99,024)                                             | -                               | (99,024)      |  |
| 28,436                                   | -                        | (232,529)                                            | -                               | (232,529)     |  |
| -                                        | -                        | (79,011)                                             | -                               | (79,011)      |  |
| -                                        | -                        | (7,093)                                              | -                               | (7,093)       |  |
| 1,376,623                                | -                        | 825,976                                              | -                               | 825,976       |  |
| 164,979                                  | -                        | (93,465)                                             | -                               | (93,465)      |  |
| -                                        | -                        | (840,425)                                            | -                               | (840,425)     |  |
| -                                        | -                        | (16,641)                                             | -                               | (16,641)      |  |
| 1,642,090                                | -                        | (2,088,347)                                          | -                               | (2,088,347)   |  |
| -                                        | 301,607                  | -                                                    | 632,561                         | 632,561       |  |
| -                                        | 106,130                  | -                                                    | 95,742                          | 95,742        |  |
| -                                        | -                        | -                                                    | 28,177                          | 28,177        |  |
| -                                        | -                        | -                                                    | 46,981                          | 46,981        |  |
| -                                        | 407,737                  | -                                                    | 803,461                         | 803,461       |  |
| \$1,642,090                              | \$ 407,737               | (2,088,347)                                          | 803,461                         | (1,284,886)   |  |
|                                          |                          | 432,355                                              | -                               | 432,355       |  |
|                                          |                          | 2,811,486                                            | -                               | 2,811,486     |  |
|                                          |                          | 367,697                                              | -                               | 367,697       |  |
|                                          |                          | 149,825                                              | -                               | 149,825       |  |
|                                          |                          | 83,343                                               | -                               | 83,343        |  |
|                                          |                          | 101,568                                              | -                               | 101,568       |  |
|                                          |                          | 25,492                                               | 1,155                           | 26,647        |  |
|                                          |                          | 76,000                                               | (76,000)                        | -             |  |
|                                          |                          | 4,047,766                                            | (74,845)                        | 3,972,921     |  |
|                                          |                          | 1,959,419                                            | 728,616                         | 2,688,035     |  |
|                                          |                          | 20,377,704                                           | 24,084,303                      | 44,462,007    |  |
|                                          |                          | \$ 22,337,123                                        | \$ 24,812,919                   | \$ 47,150,042 |  |

# TOWN OF EATON, COLORADO

## GOVERNMENTAL FUNDS

### BALANCE SHEET

| December 31, 2020                                 | General<br>Fund | Library<br>Fund | Impact Fee<br>Fund |
|---------------------------------------------------|-----------------|-----------------|--------------------|
| <u>ASSETS</u>                                     |                 |                 |                    |
| Pooled Cash and Investments                       | \$ 3,555,239    | \$ 3,884,144    | \$ 1,273,835       |
| Cash                                              | 25,151          | 150             | -                  |
| Shelton Trust account                             | 81,574          | -               | -                  |
| Taxes Receivable                                  | 406,343         | 1,505,959       | -                  |
| Inventory of Supplies                             | -               | -               | -                  |
| Total Assets                                      | \$ 4,068,307    | \$ 5,390,253    | \$ 1,273,835       |
| <u>LIABILITIES</u>                                |                 |                 |                    |
| Accounts Payable                                  | \$ 296,299      | \$ 4,915        | \$ 26,125          |
| Total Liabilities                                 | 296,299         | 4,915           | 26,125             |
| <u>DEFERRED INFLOWS OF RESOURCES</u>              |                 |                 |                    |
| Deferred Property Taxes                           | 394,067         | 1,505,959       | -                  |
| <u>FUND BALANCES</u>                              |                 |                 |                    |
| Nonspendable                                      | -               | -               | -                  |
| Restricted for:                                   |                 |                 |                    |
| TABOR emergencies                                 | 89,783          | -               | -                  |
| Shelton Trust                                     | 81,574          | -               | -                  |
| Library/Streets/Impact                            | -               | 3,879,379       | 1,247,710          |
| Unassigned                                        | 3,206,584       | -               | -                  |
| Total Fund Balances                               | 3,377,941       | 3,879,379       | 1,247,710          |
| TOTAL LIABILITIES, DEFERRALS<br>AND FUND BALANCES | \$ 4,068,307    | \$ 5,390,253    | \$ 1,273,835       |

Amounts reported for governmental activities in the statement of net position are different because:  
Capital assets used in governmental activities are not financial resources and are not reported in the funds  
Long-term leases are not due and payable in the current period and therefore are not reported in the funds

Net Position of Governmental Activities

See Accompanying Notes to Financial Statements.

| Street<br>Fund | Cemetery<br>Perpetual Care<br>Fund | Total<br>Governmental<br>Funds |
|----------------|------------------------------------|--------------------------------|
| \$ 1,045,159   | \$ 133,959                         | \$ 9,892,336                   |
| -              | -                                  | 25,301                         |
| -              | -                                  | 81,574                         |
| -              | -                                  | 1,912,302                      |
| 5,936          | -                                  | 5,936                          |
| \$ 1,051,095   | \$ 133,959                         | \$ 11,917,449                  |
| \$ 43,755      | \$ -                               | \$ 371,094                     |
| 43,755         | -                                  | 371,094                        |
| -              | -                                  | 1,900,026                      |
| 5,936          | 133,959                            | 139,895                        |
| -              | -                                  | 89,783                         |
| -              | -                                  | 81,574                         |
| 1,001,404      | -                                  | 6,128,493                      |
| -              | -                                  | 3,206,584                      |
| 1,007,340      | 133,959                            | 9,646,329                      |
| \$ 1,051,095   | \$ 133,959                         | \$ 11,917,449                  |
|                |                                    | 12,976,010                     |
|                |                                    | (285,216)                      |
|                | \$ 22,337,123                      |                                |

**TOWN OF EATON, COLORADO**  
**GOVERNMENTAL FUNDS**

**STATEMENT OF REVENUE, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**

| Year Ended December 31, 2020      | General Fund | Library Fund | Impact Fee Fund |
|-----------------------------------|--------------|--------------|-----------------|
| Revenue:                          |              |              |                 |
| Taxes                             | \$2,586,662  | \$ 1,376,623 | \$ 149,825      |
| Intergovernmental                 | 74,657       | -            | -               |
| Fines and forfeitures             | 342,705      | 1,227        | -               |
| Impact fees                       | -            | -            | 83,343          |
| Service charges                   | 330,494      | -            | -               |
| Miscellaneous                     | 97,544       | 22,915       | -               |
| Total Revenue                     | 3,432,062    | 1,400,765    | 233,168         |
| Expenditures:                     |              |              |                 |
| General government                | 2,623,696    | -            | -               |
| Debt service                      | 10,375       | -            | 197,319         |
| Library                           | -            | 551,874      | -               |
| Streets                           | -            | -            | -               |
| Capital outlay                    | 358,695      | 39,935       | 72,721          |
| Total Expenditures                | 2,992,766    | 591,809      | 270,040         |
| Revenue Over (Under) Expenditures | 439,296      | 808,956      | (36,872)        |
| Other Financing Sources (Uses):   |              |              |                 |
| Operating transfers in (out)      | 76,521       | -            | -               |
| Net Change in Fund Balances       | 515,817      | 808,956      | (36,872)        |
| Fund Balance, January 1           | 2,862,124    | 3,070,423    | 1,284,582       |
| Fund Balance, December 31         | \$3,377,941  | \$3,879,379  | \$ 1,247,710    |

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

Net change in fund balances - total governmental funds

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital additions in the year.

The issuance of long-term debt and obligations provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences.

**Change in Net Position of Governmental Activities**

See Accompanying Notes to Financial Statements.



| Street<br>Fund | Cemetery<br>Perpetual Care<br>Fund | Total<br>Governmental<br>Funds |
|----------------|------------------------------------|--------------------------------|
| \$ 843,443     | \$ -                               | \$ 4,956,553                   |
| 401,756        | -                                  | 476,413                        |
| -              | -                                  | 343,932                        |
| -              | -                                  | 83,343                         |
| -              | 2,919                              | 333,413                        |
| -              | -                                  | 120,459                        |
| 1,245,199      | 2,919                              | 6,314,113                      |
| -              | -                                  | 2,623,696                      |
| -              | -                                  | 207,694                        |
| -              | -                                  | 551,874                        |
| 986,524        | -                                  | 986,524                        |
| -              | -                                  | 471,351                        |
| 986,524        | -                                  | 4,841,139                      |
| 258,675        | 2,919                              | 1,472,974                      |
| -              | (521)                              | 76,000                         |
| 258,675        | 2,398                              | 1,548,974                      |
| 748,665        | 131,561                            | 8,097,355                      |
| \$1,007,340    | \$ 133,959                         | \$ 9,646,329                   |

\$ 1,548,974

226,379

184,066

\$ 1,959,419

**TOWN OF EATON, COLORADO**  
**BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS**

**STATEMENT OF NET POSITION**

| December 31, 2020                        | Water<br>Fund | Sewer<br>Fund | Other<br>Enterprise<br>Funds | Total         |
|------------------------------------------|---------------|---------------|------------------------------|---------------|
| <b><u>ASSETS</u></b>                     |               |               |                              |               |
| Current Assets:                          |               |               |                              |               |
| Pooled Cash and Investments              | \$ 3,224,304  | \$ 1,858,047  | \$ 506,397                   | \$ 5,588,748  |
| Accounts receivable                      | 218,830       | 68,472        | 10,934                       | 298,236       |
| Inventory of supplies                    | 44,261        | -             |                              | 44,261        |
| Total Current Assets                     | 3,487,395     | 1,926,519     | 517,331                      | 5,931,245     |
| Capital Assets:                          |               |               |                              |               |
| Land                                     | 330,340       | 44,211        | -                            | 374,551       |
| Water rights                             | 11,907,612    | -             | -                            | 11,907,612    |
| Buildings and plant                      | 101,043       | 5,479,485     | -                            | 5,580,528     |
| Distribution/collection system           | 8,469,232     | 3,902,641     | 1,159,952                    | 13,531,825    |
| Equipment                                | 272,825       | 151,204       | 26,731                       | 450,760       |
| Vehicles                                 | -             | 260,445       | 17,378                       | 277,823       |
|                                          | 21,081,052    | 9,837,986     | 1,204,061                    | 32,123,099    |
| Accumulated depreciation                 | (4,102,408)   | (6,060,241)   | (415,570)                    | (10,578,219)  |
| Total Capital Assets                     | 16,978,644    | 3,777,745     | 788,491                      | 21,544,880    |
| Total Assets                             | 20,466,039    | 5,704,264     | 1,305,822                    | 27,476,125    |
| <b><u>LIABILITIES</u></b>                |               |               |                              |               |
| Current Liabilities:                     |               |               |                              |               |
| Accounts payable                         | 67,301        | 8,130         | 41,065                       | 116,496       |
| Current portion of long-term liabilities | 175,670       | 256,503       | -                            | 432,173       |
| Total Current Liabilities                | 242,971       | 264,633       | 41,065                       | 548,669       |
| Long-Term Liabilities:                   |               |               |                              |               |
| Long-term loans                          | 331,786       | 1,724,570     | -                            | 2,056,356     |
| Loan premium                             | -             | 58,181        | -                            | 58,181        |
| Total Long-Term Liabilities              | 331,786       | 1,782,751     | -                            | 2,114,537     |
| Total Liabilities                        | 574,757       | 2,047,384     | 41,065                       | 2,663,206     |
| <b><u>NET POSITION</u></b>               |               |               |                              |               |
| Net Investment in Capital Assets         | 16,471,188    | 1,738,491     | 788,491                      | 18,998,170    |
| Unrestricted                             | 3,420,094     | 1,918,389     | 476,266                      | 5,814,749     |
| TOTAL NET POSITION                       | \$ 19,891,282 | \$ 3,656,880  | \$ 1,264,757                 | \$ 24,812,919 |

See Accompanying Notes to Financial Statements.

**TOWN OF EATON, COLORADO**  
**BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS**

**STATEMENT OF REVENUE, EXPENSES**  
**AND CHANGES IN FUND NET POSITION**

| Year Ended December 31, 2020                           | Water<br>Fund | Sewer<br>Fund | Other<br>Enterprise<br>Funds | Total         |
|--------------------------------------------------------|---------------|---------------|------------------------------|---------------|
| Operating Revenue - charges for services               | \$ 2,115,413  | \$ 831,504    | \$ 647,866                   | \$ 3,594,783  |
| Operating Expenses:                                    |               |               |                              |               |
| Personnel                                              | 84,546        | 95,727        | -                            | 180,273       |
| Supplies                                               | 14,911        | 43,428        | 2,251                        | 60,590        |
| Contractual services                                   | 88,660        | 40,786        | 500,158                      | 629,604       |
| Utilities                                              | 15,574        | 81,050        | 22,387                       | 119,011       |
| Repairs and maintenance                                | 76,531        | 89,571        | 7,740                        | 173,842       |
| Insurance                                              | 18,618        | 37,369        | 1,591                        | 57,578        |
| Water purchases and assessments                        | 945,214       | -             | -                            | 945,214       |
| NISP expenses                                          | 325,020       | -             | -                            | 325,020       |
| Other                                                  | 3,762         | 7,148         | 2,518                        | 13,428        |
| Depreciation                                           | 198,377       | 390,680       | 36,063                       | 625,120       |
| Total Operating Expenses                               | 1,771,213     | 785,759       | 572,708                      | 3,129,680     |
| Operating Income                                       | 344,200       | 45,745        | 75,158                       | 465,103       |
| Nonoperating Revenue (Expenses):                       |               |               |                              |               |
| Investment earnings                                    | 161           | 994           | -                            | 1,155         |
| Interest expense                                       | (14,932)      | (56,133)      | -                            | (71,065)      |
| Loan premium costs                                     | -             | -             | -                            | -             |
| Miscellaneous                                          | 1,686         | -             | -                            | 1,686         |
| Net Nonoperating Expense                               | (13,085)      | (55,139)      | -                            | (68,224)      |
| Income Before Contributions and<br>Operating Transfers | 331,115       | (9,394)       | 75,158                       | 396,879       |
| Capital Contributions and Tap Fees                     | 301,607       | 106,130       | -                            | 407,737       |
| Operating Transfers Out - General Fund                 | (26,000)      | (26,000)      | (24,000)                     | (76,000)      |
| Change in Net Position                                 | 606,722       | 70,736        | 51,158                       | 728,616       |
| Fund Net Position, January 1                           | 19,284,560    | 3,586,144     | 1,213,599                    | 24,084,303    |
| Fund Net Position, December 31                         | \$ 19,891,282 | \$ 3,656,880  | \$ 1,264,757                 | \$ 24,812,919 |

See Accompanying Notes to Financial Statements.

# TOWN OF EATON, COLORADO

## ENTERPRISE FUNDS

### STATEMENT OF CASH FLOWS

| Year Ended December 31, 2020                                              | Water<br>Fund | Sewer<br>Fund | Other<br>Enterprise<br>Funds | Total        |
|---------------------------------------------------------------------------|---------------|---------------|------------------------------|--------------|
| Cash Flows from Operating Activities:                                     |               |               |                              |              |
| Cash received from customers                                              | \$ 2,082,545  | \$ 831,308    | \$ 679,902                   | \$ 3,593,755 |
| Cash payments:                                                            |               |               |                              |              |
| To suppliers for goods and services                                       | (1,468,884)   | (297,826)     | (537,805)                    | (2,304,515)  |
| To employees for services                                                 | (84,546)      | (95,727)      | -                            | (180,273)    |
| Net Cash Provided by Operating Activities                                 | 529,115       | 437,755       | 142,097                      | 1,108,967    |
| Cash Flows from Noncapital Financing Activities:                          |               |               |                              |              |
| Operating Transfer Out - General Fund                                     | (26,000)      | (26,000)      | (24,000)                     | (76,000)     |
| Cash Flows from Capital and Related Financing Activities:                 |               |               |                              |              |
| Acquisition of equipment and plant                                        | (1,579,382)   | (3,000)       | (1,000)                      | (1,583,382)  |
| Debt principal reduction                                                  | (169,236)     | (251,045)     | -                            | (420,281)    |
| Interest paid on debt                                                     | (14,932)      | (62,596)      | -                            | (77,528)     |
| Service tap fees                                                          | 301,607       | 106,130       | -                            | 407,737      |
| Other                                                                     | -             | -             | -                            | -            |
| Net Cash Provided (Used) by Capital and Related Financing Activities      | (1,461,943)   | (210,511)     | (1,000)                      | (1,673,454)  |
| Cash Flows from Investing Activities:                                     |               |               |                              |              |
| Interest                                                                  | 161           | 991           | -                            | 1,152        |
| Net Cash Provided by Investing Activities                                 | 161           | 991           | -                            | 1,152        |
| Net Increase (Decrease) in Cash                                           | (958,667)     | 202,235       | 117,097                      | (639,335)    |
| Cash and Cash Equivalents, January 1                                      | 4,182,971     | 1,655,812     | 389,300                      | 6,228,083    |
| Cash and Cash Equivalents, December 31                                    | \$ 3,224,304  | \$ 1,858,047  | \$ 506,397                   | \$ 5,588,748 |
| Reconciliation of Operating Income to Net Cash From Operating Activities: |               |               |                              |              |
| Operating income (loss)                                                   | \$ 344,200    | \$ 45,745     | \$ 75,158                    | \$ 465,103   |
| Depreciation                                                              | 198,377       | 390,680       | 36,063                       | 625,120      |
| Change in assets and liabilities:                                         |               |               |                              |              |
| (Increase) decrease in:                                                   |               |               |                              |              |
| Accounts receivable                                                       | (32,868)      | (196)         | 32,036                       | (1,028)      |
| Inventories                                                               | (8,209)       | -             | -                            | (8,209)      |
| Increase (decrease) in:                                                   |               |               |                              |              |
| Accounts payable                                                          | 27,615        | 1,526         | (1,160)                      | 27,981       |
| Net Cash Provided by Operating Activities                                 | \$ 529,115    | \$ 437,755    | \$ 142,097                   | \$ 1,108,967 |
| Disclosure of Noncash Investing Activities:                               |               |               |                              |              |
| Contributed water rights                                                  | \$ -          | \$ -          | \$ -                         | \$ -         |

See Accompanying Notes to Financial Statements.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the Town of Eaton, Colorado conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the Town's financial statements.

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#### Reporting Entity:

The financial report of the Town includes all of the integral parts of the Town's operations. The Town has determined that it has no financial accountability for any other agency which would require it to be in the reporting entity.

The Mayor appoints members of the Eaton Housing Authority. Otherwise, the Town has no role in the designation of management and no ability to influence operations. The Town does not have financial accountability for the Eaton Housing Authority, as the Authority is fiscally independent.

Proceeds from the seizure of contraband, if any, are included in the reporting entity.

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#### 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 nonfiduciary activities of the town. 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 a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

Government-wide and Fund Financial Statements – Continued:

The Town reports the following major governmental funds:

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

The *Library Fund* accounts for taxes received from the High Plains Library District and other revenue restricted for library services.

The *Impact Fee Fund* accounts for impact fees and other revenues restricted for various facilities and expenses.

The *Street Fund* accounts for taxes and inter-governmental revenue restricted for street maintenance and improvements.

The Town reports the following major proprietary funds:

The *Sewer Fund* accounts for user charges and expenses for operating, financing, and maintaining the Town's sanitary sewer system.

The *Water Fund* accounts for user charges and the expenses for operating, financing, and maintaining the Town's water system.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

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

Government fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Cigarette taxes, sales taxes, use taxes, taxpayer-assessed taxes, interest revenue, and charges for services 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 government.

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Capital Assets:

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., streets and roads, bridges, stormwater drainage, traffic signals, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$1,000 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 on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.

Estimated useful lives for asset types are as follows:

|                            |               |
|----------------------------|---------------|
| Buildings and Improvements | 10 – 50 years |
| Equipment and Vehicles     | 3 – 10 years  |
| Infrastructure             | 10 – 30 years |

---

#### Long-Term Obligations:

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restrictions for the Town are recorded up to the maximum equity available in the fund balance and consist of:

#### Restricted for Shelton Trust Fund:

These restrictions are established for amounts set aside for the purposes established by the Shelton Trust fund. Recorded restrictions at December 31, 2020 are \$81,574.

#### Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR restrictions at December 31, 2020 are \$90,218.

Assigned fund balances, if any, are amounts the Town intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by an official to which the Board delegates authority. Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

---

#### Property Taxes:

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable in two installments on March 1 and June 15, or in full on April 30. The Town uses the Weld County Treasurer to bill and collect its property taxes. Taxes levied in December 2020 are recorded as taxes receivable and deferred revenue as of December 31, 2020. The original January 1, 2020 levy for the General Fund of the Town was 5.441 mills or approximately \$402,000.

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#### Budget:

An annual budget and appropriation ordinance is adopted by the Town Board in accordance with the Local Government Budget Law. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States for all funds, except for modifications in the enterprise funds which are discussed below. The fund level of classification is the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year end.

The Town Administrator is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for each department must be approved by the Town Board through a supplemental appropriation ordinance.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Budget - Continued:

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (GAAP), except for the enterprise funds:

- a. Depreciation and amortization expense is not budgeted in the enterprise funds.
- b. Principal reduction of bonds is budgeted as expenses.
- c. Property and equipment purchases are budgeted as expenses.

Budgetary comparisons presented in the enterprise funds are on this non-GAAP budget basis.

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#### Inventories:

Inventories of governmental funds, which consist of expendable materials held for consumption, are stated at cost, determined by the first-in, first-out (FIFO) method. These funds follow the consumption method of accounting whereby expenditures are recorded at the time the inventory items are used.

Inventories of proprietary funds are recorded at the lower of cost or market. Cost is determined by the FIFO method.

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#### Transfers In/Out:

Transfers to the General Fund were made from the Water, Sewer, and Sanitation Funds to reimburse the General Fund for various office expenses. The interest earned in the Cemetery Perpetual Care Fund is transferred to the General Fund to offset cemetery expenses.

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#### Pooled Cash:

Most cash resources of the Town are combined and deposited in an interest bearing bank account. Interest income earned on the pooled account is allocated to the General Fund. If a fund's share of the pooled cash is a deficit, a Due to Other Funds account is established.

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Employee Vacation and Sick Leave:

All full-time Town employees accumulate sick leave for subsequent use. These accumulations do not vest and therefore are not recognized as expenditures by the Town until used.

Employees also receive noncumulative vacation leave. No accrual of liability is made as vacation leave is generally taken and the amount outstanding at year end is immaterial.

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#### Statement of Cash Flows:

For purposes of the statement of cash flows, the Town considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

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#### Shelton Trust Account:

The Town was the beneficiary of 35% of the Juanita Shelton Trust. The proceeds are limited to the Town's library, museum, and senior citizens programs.

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### NOTE 2 – Cash and Investments:

The Town's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Town's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

At December 31, 2020, the Town had \$2,154,782 invested in the Colorado Liquid Asset Trust (COLOTRUST), an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00 per share. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. COLOTRUST is rated AAAM by Standard & Poor's. The Town's investment is measured at NAV.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 – Cash and Investments – Continued:

Investments held as of December 31, 2020 are as follows:

|                                                                                                                                | Cost       | Fair Value |
|--------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| U.S. Government Sponsored Agency Bonds, primarily FHLMC, FFCB, and FHLB, maturing in 2022-2024, rated AA+ by Standard & Poor's | \$ 778,508 | \$ 785,688 |
| Total                                                                                                                          | \$ 778,508 | \$ 785,688 |

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets or liabilities
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

| Description                            | Fair Value Measurements at Reporting Date Using                |                                               |                                           |
|----------------------------------------|----------------------------------------------------------------|-----------------------------------------------|-------------------------------------------|
|                                        | Quoted Prices In Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| <u>December 31, 2020</u>               |                                                                |                                               |                                           |
| U.S. Government Sponsored Agency Bonds | --                                                             | \$ 785,688                                    | --                                        |

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3 - Water and Sewer Debt:

| December 31                                                                                                                                                                                                                                        | 2020                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| \$5,000,000, Series 2005, loan from Colorado Water Resource and Power Development Authority, due in varying monthly installments through 2027, average interest rate at 3.38%. (This debt will be serviced by the Sewer Fund, an Enterprise Fund.) | \$ 1,981,073        |
| Series 2005, CWRPDA loan premium                                                                                                                                                                                                                   | 58,181              |
| \$1,578,625, Series 2014, Water Revenue Refunding bonds, due in varying monthly installments through 2023, average interest at 2.49%. (This debt will be serviced by the Water Fund, an Enterprise Fund.)                                          | 507,456             |
| <b>Total Water and Sewer Debt</b>                                                                                                                                                                                                                  | <b>\$ 2,546,710</b> |

The annual requirements to amortize these loans as of December 31, 2020 are as follows:

| Year Ending December 31 | Principal           | Interest          | Total               |
|-------------------------|---------------------|-------------------|---------------------|
| 2021                    | \$ 256,503          | \$ 86,711         | \$ 343,214          |
| 2022                    | 261,960             | 79,892            | 341,852             |
| 2023                    | 267,419             | 74,128            | 341,547             |
| 2024                    | 278,333             | 38,107            | 316,440             |
| 2025-2027               | 916,858             | 24,872            | 941,730             |
|                         | <b>\$ 1,981,073</b> | <b>\$ 303,710</b> | <b>\$ 2,284,783</b> |

  

| Year Ending December 31 | Principal         | Interest         | Total             |
|-------------------------|-------------------|------------------|-------------------|
| 2021                    | \$ 175,670        | \$ 10,612        | \$ 186,282        |
| 2022                    | 178,308           | 7,973            | 186,281           |
| 2023                    | 153,478           | 1,757            | 155,235           |
|                         | <b>\$ 507,456</b> | <b>\$ 20,342</b> | <b>\$ 527,798</b> |

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3 - Water and Sewer Debt – Continued:

Changes in Enterprise Fund long-term debt during the year were as follows:

|                          | Balance,<br>1/1/20 | Additions | Retirements | Balance,<br>12/31/20 | Due Within<br>One Year |
|--------------------------|--------------------|-----------|-------------|----------------------|------------------------|
| Water Refunding Bonds    | \$ 676,692         | \$ --     | \$169,236   | \$ 507,456           | \$ 175,670             |
| CWRPDA Loan – Sewer      | 2,232,118          | --        | 251,046     | 1,981,073            | 256,503                |
| Series 2005 Loan Premium | 64,646             | --        | 6,465       | 58,181               | 7,980                  |
|                          | \$ 2,973,456       | \$ --     | \$ 426,746  | \$2,546,710          | \$ 440,153             |

The Town has pledged future customer revenues, net of operating expenses, to repay the water and sewer loans above. Proceeds from the loans provided financing for various improvements. The loans are payable solely from water and sewer net revenues and are payable through 2023 and 2027. Annual principal and interest payments on the bonds are expected to require approximately 10% of water revenues and 40% of sewer revenues. The total principal and interest remaining to be paid on the bonds is on page 27. Principal and interest paid for the current year and total customer revenues were \$184,168 and \$2,115,413, respectively for water, and \$313,642 and \$831,504, respectively for sewer.

### NOTE 4 – Governmental Long-Term Debt:

The Town has entered into three capital leases for several lots to be developed as a town square. Annual payments of \$86,000 are required until 2025 including interest at 3.25%. The land secures the capital lease and is carried at \$1,847,560 at December 31, 2020. Lease payments will be made by the Impact Fee Fund.

The Town had an installment purchase agreement for financing the purchase of a building to be used as a museum. This agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. Lease payments are made by the General Fund.

The agreement, dated September 17, 2003, required annual payments of \$10,375, including 2% interest. The lessor has a first lien security interest in the building until the payments are completed. The carrying value of improvements under lease is \$125,328 at December 31, 2020.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4 – Governmental Long-Term Debt – Continued:

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at December 31, 2020.

| Year Ending December 31                        | Amount     |
|------------------------------------------------|------------|
| 2021                                           | \$ 86,006  |
| 2022                                           | 86,006     |
| 2023                                           | 86,006     |
| 2024                                           | 35,866     |
| 2025                                           | 2,705      |
| Total minimum lease payments                   | 296,589    |
| Less: Amount representing interest             | (11,373)   |
| Present value of future minimum lease payments | \$ 285,216 |

Changes in long-term debt during the year were as follows:

|              | Balance,<br>1/1/20 | Additions | Retirements | Balance,<br>12/31/20 | Due Within<br>One Year |
|--------------|--------------------|-----------|-------------|----------------------|------------------------|
| Land Leases  | \$ 358,149         | \$ --     | \$ 72,933   | \$ 285,216           | \$ 79,264              |
| Museum Lease | 111,133            | --        | 111,133     | --                   | --                     |
|              | \$ 469,282         | \$ --     | \$ 184,066  | \$ 285,216           | \$ 79,264              |

### NOTE 5 - Defined Contribution Plan:

The Town provides pension benefits through a defined contribution plan for all of its employees who have elected to participate. The plan is administered by One America and can be amended only by the governing body. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate in the plan after 1,000 hours of service.

In order to participate in the plan, employees must contribute a minimum of three percent of compensation, which was amended in 2019 from five percent, with the Town making a five percent contribution on their behalf. The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested after seven years continuous service. Town contributions (including interest) forfeited by employees who leave employment before seven years of service are used to reduce the Town's current-period contribution requirement.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 - Defined Contribution Plan – Continued:

Employees contributed approximately \$58,500 and the Town and made the required 5% contribution for participating employees, amounting to \$58,500. Forfeitures were not material to the financial statements.

### NOTE 6 – Capital Assets:

| Governmental Activities        | Balance,<br>1/1/20 | Additions  | Deletions | Balance,<br>12/31/20 |
|--------------------------------|--------------------|------------|-----------|----------------------|
| Not Depreciable:               |                    |            |           |                      |
| Land                           | \$ 2,972,003       | \$ --      | \$ --     | \$ 2,972,003         |
| Depreciable:                   |                    |            |           |                      |
| Buildings and improvements     | 1,835,519          | 36,602     | --        | 1,872,121            |
| Library                        | 2,796,747          | 39,936     | --        | 2,836,683            |
| Streets and improvements       | 10,381,616         | 513,110    | --        | 10,894,726           |
| Park and cemetery improvements | 2,301,385          | 183,629    | --        | 2,485,014            |
| Museum                         | 288,246            | --         | --        | 288,246              |
| Equipment                      | 848,619            | 65,358     | --        | 913,977              |
| Vehicles                       | 803,463            | 228,169    | --        | 1,031,632            |
| Total Cost                     | 22,227,598         | 1,066,804  | --        | 23,294,402           |
| Less Accumulated Depreciation: |                    |            |           |                      |
| Buildings and improvements     | 1,204,974          | 153,278    | --        | 1,358,252            |
| Library                        | 705,857            | 10,395     | --        | 716,252              |
| Streets and improvements       | 5,222,531          | 376,861    | --        | 5,599,392            |
| Park and cemetery improvements | 979,997            | 75,052     | --        | 1,055,049            |
| Museum                         | 129,351            | 8,000      | --        | 137,351              |
| Equipment                      | 731,107            | 70,245     | --        | 801,352              |
| Vehicles                       | 504,150            | 146,594    | --        | 650,744              |
| Total Accumulated Depreciation | 9,477,967          | 840,425    | --        | 10,318,392           |
| Capital Assets, Net            | \$12,749,631       | \$ 226,379 | \$ --     | \$12,976,010         |

Depreciation expense is allocated as follows:

|                         |                  |
|-------------------------|------------------|
| Governmental activities | \$ 453,169       |
| Streets                 | 376,861          |
| Library                 | 10,395           |
|                         | <u>\$840,425</u> |



# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6 – Capital Assets – Continued:

| Business-Type Activities       | Balance,<br>1/1/20 | Additions  | Deletions | Balance,<br>12/31/20 |
|--------------------------------|--------------------|------------|-----------|----------------------|
| Not Depreciable:               |                    |            |           |                      |
| Land and improvements          | \$ 124,540         | \$ 250,011 | \$ --     | \$ 374,551           |
| Water rights                   | 11,257,612         | 650,000    | --        | 11,907,612           |
| Depreciable:                   |                    |            |           |                      |
| Buildings and plant            | 5,591,221          | --         | --        | 5,591,221            |
| Distribution/collection system | 12,870,195         | 655,935    | --        | 13,526,130           |
| Equipment                      | 418,325            | 28,436     | --        | 446,761              |
| Vehicles                       | 276,823            | --         | --        | 276,823              |
| Total Cost                     | 30,538,716         | 1,584,382  | --        | 32,123,098           |
| Less Accumulated Depreciation: |                    |            |           |                      |
| Buildings and plant            | 3,322,827          | 290,473    | --        | 3,613,300            |
| Distribution/collection system | 5,986,500          | 309,875    | --        | 6,296,375            |
| Equipment                      | 393,592            | 14,771     | --        | 408,363              |
| Vehicles                       | 250,179            | 10,000     | --        | 260,179              |
| Total Accumulated Depreciation | 9,953,098          | 625,119    | --        | 10,578,217           |
| Capital Assets, Net            | \$ 20,585,618      | \$ 959,263 | \$ --     | \$ 21,544,881        |

### NOTE 7 - Colorado Intergovernmental Risk Sharing Agency (CIRSA):

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution. In February, 1986, the Town Board authorized participation in the agency. The Town has participated each year since then.

The purposes of CIRSA are to provide members defined liability and property coverages 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.

The Town recognizes an expenditure for the amount paid to CIRSA annually for these coverages. The Town paid \$133,625 to CIRSA in 2020, including \$35,160 for workers compensation coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 8 - Weld 911 Emergency Telephone Service Authority:**

The Town is a member of the Weld 911 Emergency Telephone Service Authority, a separate legal entity established by Weld County, member municipalities, and special districts for the purpose of providing 911 emergency telephone service.

Authority Board members are selected by the Weld County commissioners and by the larger municipalities in Weld County. The Town does not have the ability to significantly affect the operations of the Authority.

The Town has no obligation to the Authority beyond the service charges paid by Town residents to their telephone service supplier. In the event of the Authority disbanding without a successor, the net position, if any, shall be returned to the participants. The Town of Eaton's share of the net position is estimated to be less than 5%.

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### **NOTE 9 - Contingencies:**

In 1992, Colorado voters approved "Amendment One", or the Taxpayer's Bill of Rights (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase, or new debt. Voter approval is also required to increase annual property taxes, revenue, or spending by more than inflation plus a local growth factor. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards, or property sales.

In November 1994, the electors of the Town of Eaton voted to supersede TABOR and to collect, retain, and expend the full proceeds of all taxes, fees, and other revenue without increasing or adding taxes of any kind.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the applicable requirements of the Amendment. Included in the accompanying financial statements are emergency reserves required by TABOR, of at least 3% of fiscal year spending, recorded in the General Fund.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF EATON, COLORADO**  
**GENERAL FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020       | Actual       | Estimate     | Variance   |
|------------------------------------|--------------|--------------|------------|
| Taxes:                             |              |              |            |
| General property                   | \$ 432,355   | \$ 402,000   | \$ 30,355  |
| Franchise - utility companies      | 186,267      | 191,000      | (4,733)    |
| Sales                              | 1,968,040    | 1,400,000    | 568,040    |
| Penalties and interest             | -            | 400          | (400)      |
| Total Taxes                        | 2,586,662    | 1,993,400    | 593,262    |
| Licenses and Permits:              |              |              |            |
| Building permits                   | 172,949      | 70,000       | 102,949    |
| Liquor licenses                    | 3,314        | 900          | 2,414      |
| Dog licenses                       | 380          | 500          | (120)      |
| Business licenses                  | 1,260        | 1,250        | 10         |
| Total Licenses and Permits         | 177,903      | 72,650       | 105,253    |
| Intergovernmental:                 |              |              |            |
| Cigarette tax                      | 8,307        | 5,200        | 3,107      |
| Lottery proceeds                   | 28,436       | 27,000       | 1,436      |
| Mineral and severance taxes        | 37,914       | 42,000       | (4,086)    |
| Total Intergovernmental            | 74,657       | 74,200       | 457        |
| Charges for Services:              |              |              |            |
| Grave openings                     | 29,650       | 21,000       | 8,650      |
| Sale of cemetery plots             | 33,453       | 28,000       | 5,453      |
| Planning revenue                   | 89,488       | 78,000       | 11,488     |
| Total Charges for Services         | 152,591      | 127,000      | 25,591     |
| Fines and Forfeitures:             |              |              |            |
| Fines - traffic                    | 342,705      | 430,000      | (87,295)   |
| Total Fines and Forfeitures        | 342,705      | 430,000      | (87,295)   |
| Miscellaneous:                     |              |              |            |
| Interest                           | 25,492       | 26,000       | (508)      |
| Contributions and grants           | 45,795       | 8,000        | 37,795     |
| Other, primarily oil and gas lease | 26,257       | 25,000       | 1,257      |
| Total Miscellaneous                | 97,544       | 59,000       | 38,544     |
| Total Revenue                      | \$ 3,432,062 | \$ 2,756,250 | \$ 675,812 |

**TOWN OF EATON, COLORADO**  
**GENERAL FUND**

**Schedule of Expenditures Compared with Budget**

| Year Ended December 31, 2020 | Actual    | Original<br>Budget | Final<br>Budget | Variance<br>From Final<br>Budget |
|------------------------------|-----------|--------------------|-----------------|----------------------------------|
| Administration:              |           |                    |                 |                                  |
| Current operating:           |           |                    |                 |                                  |
| Mayor and Board of Trustees  | \$ 13,550 | \$ 13,800          | \$ 13,800       | \$ 250                           |
| Administrator                | 86,400    | 86,400             | 86,400          | -                                |
| Finance director             | 70,000    | 70,000             | 70,000          | -                                |
| Town clerk                   | 62,995    | 63,000             | 63,000          | 5                                |
| Finance assistant            | 47,731    | 47,741             | 47,741          | 10                               |
| Municipal judge              | 12,510    | 17,000             | 17,000          | 4,490                            |
| Court clerk                  | 7,066     | 7,100              | 7,100           | 34                               |
| Employee benefits            | 71,451    | 80,142             | 80,142          | 8,691                            |
| Elections                    | 20,174    | 9,000              | 9,000           | (11,174)                         |
| Office supplies              | 9,063     | 15,500             | 15,500          | 6,437                            |
| Telephone                    | 7,280     | 7,350              | 7,350           | 70                               |
| Office expenses              | 15,424    | 4,800              | 4,800           | (10,624)                         |
| Staff training and education | 4,004     | 10,000             | 10,000          | 5,996                            |
| Dues                         | 2,198     | 2,500              | 2,500           | 302                              |
| Publications                 | 7,380     | 6,000              | 6,000           | (1,380)                          |
| Insurance                    | 57,683    | 51,372             | 51,372          | (6,311)                          |
| Professional services        | 77,531    | 65,000             | 65,000          | (12,531)                         |
| Legal fees                   | 58,678    | 80,000             | 80,000          | 21,322                           |
| Building inspections         | 131,825   | 52,500             | 120,000         | (11,825)                         |
| Office equipment             | 13,208    | 7,500              | 7,500           | (5,708)                          |
| Emergencies                  | 46,194    | -                  | 127,000         | 80,806                           |
| Capital outlay               | 34,331    | 71,600             | 71,600          | 37,269                           |
| Total Administration         | 856,676   | 768,305            | 962,805         | 106,129                          |
| Public Safety:               |           |                    |                 |                                  |
| Current operating:           |           |                    |                 |                                  |
| Police chief and officers    | 667,699   | 700,604            | 700,604         | 32,905                           |
| Administrative assistants    | 88,262    | 88,268             | 88,268          | 6                                |
| Employee benefits            | 174,025   | 231,862            | 231,862         | 57,837                           |
| Office supplies              | 15,585    | 11,000             | 11,000          | (4,585)                          |
| Operating supplies           | 51,716    | 62,000             | 62,000          | 10,284                           |
| Communications               | 92,324    | 97,500             | 97,500          | 5,176                            |
| Automotive services          | 8,120     | 18,000             | 18,000          | 9,880                            |
| Jail services                | 29        | 500                | 500             | 471                              |
| Training and education       | 539       | 7,100              | 7,100           | 6,561                            |
| Animal shelter               | -         | 2,500              | 2,500           | 2,500                            |
| Office equipment             | 5,883     | 5,800              | 5,800           | (83)                             |
| Capital outlay               | 110,508   | 95,000             | 95,000          | (15,508)                         |
| Total Public Safety          | 1,214,690 | 1,320,134          | 1,320,134       | 105,444                          |

Continued on next page.

**TOWN OF EATON, COLORADO**  
**GENERAL FUND**

**Schedule of Expenditures Compared with Budget - Continued**

| Year Ended December 31, 2020   | Actual       | Original<br>Budget | Final<br>Budget | Variance<br>From Final<br>Budget |
|--------------------------------|--------------|--------------------|-----------------|----------------------------------|
| Cemetery:                      |              |                    |                 |                                  |
| Current operating:             |              |                    |                 |                                  |
| Maintenance labor              | \$ 93,504    | \$ 90,200          | \$ 90,200       | \$ (3,304)                       |
| Employee benefits              | 21,867       | 22,150             | 22,150          | 283                              |
| Operating supplies             | 24,575       | 19,750             | 19,750          | (4,825)                          |
| Utilities                      | 7,342        | 8,650              | 8,650           | 1,308                            |
| Repairs and maintenance        | 6,775        | 8,500              | 8,500           | 1,725                            |
| Forestry and nursery           | 2,150        | 20,000             | 20,000          | 17,850                           |
| Capital outlay                 | 8,830        | 42,900             | 42,900          | 34,070                           |
| Total Cemetery                 | 165,043      | 212,150            | 212,150         | 47,107                           |
| Parks and Recreation:          |              |                    |                 |                                  |
| Current operating:             |              |                    |                 |                                  |
| Maintenance labor              | 144,315      | 189,700            | 189,700         | 45,385                           |
| Employee benefits              | 34,099       | 40,000             | 40,000          | 5,901                            |
| Operating supplies             | 63,096       | 78,000             | 78,000          | 14,904                           |
| Utilities                      | 19,455       | 23,500             | 23,500          | 4,045                            |
| Forestry and nursery           | -            | 5,700              | 5,700           | 5,700                            |
| Capital outlay                 | 239,357      | 237,000            | 237,000         | (2,357)                          |
| Total Parks and Recreation     | 500,322      | 573,900            | 573,900         | 73,578                           |
| Public Buildings:              |              |                    |                 |                                  |
| Current operating:             |              |                    |                 |                                  |
| Custodial salary               | 9,615        | 12,000             | 12,000          | 2,385                            |
| Operating supplies             | 12,822       | 12,250             | 12,250          | (572)                            |
| Utilities                      | 18,078       | 19,000             | 19,000          | 922                              |
| Repairs and maintenance        | 28,121       | 35,350             | 35,350          | 7,229                            |
| Building improvements          | -            | 5,000              | 5,000           | 5,000                            |
| Debt service - lease           | 10,375       | 10,375             | 10,375          | -                                |
| Total Public Buildings         | 79,011       | 93,975             | 93,975          | 14,964                           |
| Planning and Development:      |              |                    |                 |                                  |
| Planner                        | 77,983       | 45,000             | 45,000          | (32,983)                         |
| Legal fees                     | 7,169        | 1,500              | 1,500           | (5,669)                          |
| Engineering                    | 26,656       | 9,000              | 9,000           | (17,656)                         |
| Professional services          | 25,897       | 46,000             | 46,000          | 20,103                           |
| Total Planning and Development | 137,705      | 101,500            | 101,500         | (36,205)                         |
| Miscellaneous:                 |              |                    |                 |                                  |
| Treasurer's fees               | 4,570        | 3,800              | 3,800           | (770)                            |
| Other                          | 4,775        | 6,000              | 6,000           | 1,225                            |
| Economic development           | 29,974       | 15,000             | 15,000          | (14,974)                         |
| Shelton Trust Fund grants      | -            | 35,000             | 35,000          | 35,000                           |
| Total Miscellaneous            | 39,319       | 59,800             | 59,800          | 20,481                           |
| Total Expenditures             | \$ 2,992,766 | \$3,129,764        | \$3,324,264     | \$ 331,498                       |

**TOWN OF EATON, COLORADO**  
**GENERAL FUND**

**Schedule of Other Financing Sources Compared with Estimate**

| Year Ended December 31, 2020  | Actual   | Estimate  | Variance |
|-------------------------------|----------|-----------|----------|
| Operating Transfers In:       |          |           |          |
| Water Fund                    | \$26,000 | \$ 26,000 | \$ -     |
| Sewer Fund                    | 26,000   | 26,000    | -        |
| Sanitation Fund               | 24,000   | 24,000    | -        |
| Cemetery Perpetual Care Fund  | 521      | -         | 521      |
| Total Other Financing Sources | \$76,521 | \$ 76,000 | \$ 521   |

**TOWN OF EATON, COLORADO**  
**SPECIAL REVENUE FUNDS**  
**LIBRARY FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020                  | Actual              | Estimate            | Variance          |
|-----------------------------------------------|---------------------|---------------------|-------------------|
| Property Taxes (High Plains Library District) | \$ 1,376,623        | \$ 1,376,561        | \$ 62             |
| Library Fines                                 | 1,227               | 3,000               | (1,773)           |
| Contributions                                 | 22,915              | -                   | 22,915            |
| <b>Total Revenue</b>                          | <b>\$ 1,400,765</b> | <b>\$ 1,379,561</b> | <b>\$ (1,711)</b> |

**Schedule of Expenditures Compared with Budget**

| Year Ended December 31, 2020        | Actual            | Original<br>Budget | Final<br>Budget   | Variance<br>from Final<br>Budget |
|-------------------------------------|-------------------|--------------------|-------------------|----------------------------------|
| Library:                            |                   |                    |                   |                                  |
| Current operating:                  |                   |                    |                   |                                  |
| Librarians                          | \$ 317,177        | \$ 417,239         | \$ 417,239        | \$ 100,062                       |
| Employee benefits                   | 60,347            | 82,110             | 82,110            | 21,763                           |
| Operating supplies                  | 9,201             | 17,000             | 17,000            | 7,799                            |
| Mileage reimbursements              | 433               | 2,600              | 2,600             | 2,167                            |
| Public relations                    | 8,073             | 10,000             | 10,000            | 1,927                            |
| Insurance                           | 21,317            | 22,000             | 22,000            | 683                              |
| Contract services                   | 29,707            | 36,000             | 36,000            | 6,293                            |
| Utilities                           | 12,041            | 20,500             | 20,500            | 8,459                            |
| Training                            | 8,726             | 10,000             | 10,000            | 1,274                            |
| Repairs and maintenance             | 15,619            | 20,000             | 20,000            | 4,381                            |
| Circulation                         | 17,708            | 25,000             | 25,000            | 7,292                            |
| Print                               | 26,737            | 32,000             | 32,000            | 5,263                            |
| Programs                            | 15,980            | 30,000             | 30,000            | 14,020                           |
| Reference                           | 5,087             | 3,500              | 3,500             | (1,587)                          |
| Miscellaneous                       | 3,721             | 500                | 500               | (3,221)                          |
| Capital outlay                      | 39,935            | 145,000            | 145,000           | 105,065                          |
| <b>Total Expenditures - Library</b> | <b>\$ 591,809</b> | <b>\$ 873,449</b>  | <b>\$ 873,449</b> | <b>\$ 281,640</b>                |



**TOWN OF EATON, COLORADO**  
**SPECIAL REVENUE FUNDS**  
**IMPACT FEE FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020               | Actual     | Estimate   | Variance  |
|--------------------------------------------|------------|------------|-----------|
| Use Tax - building materials               | \$ 149,825 | \$ 112,500 | \$ 37,325 |
| Impact Fees:                               |            |            |           |
| Police facilities                          | 6,462      | 3,930      | 2,532     |
| Municipal facilities and equipment         | 36,260     | 22,200     | 14,060    |
| Community park and equipment               | 12,446     | 7,620      | 4,826     |
| Neighborhood park facilities and equipment | 31,975     | 12,250     | 19,725    |
| Total Revenue and Transfers In             | \$ 236,968 | \$ 158,500 | \$ 78,468 |

**Schedule of Expenditures Compared with Budget**

| Year Ended December 31, 2020             | Actual     | Original<br>and Final<br>Budget | Variance<br>From Final<br>Budget |
|------------------------------------------|------------|---------------------------------|----------------------------------|
| Expenditures:                            |            |                                 |                                  |
| Police facilities and equipment expenses | \$ 40,000  | \$ 40,000                       | \$ -                             |
| Municipal and equipment                  | -          | -                               | -                                |
| Neighborhood park expenses               | 33,725     | 60,000                          | 26,275                           |
| Community park expenses                  | 2,796      | 25,000                          | 22,204                           |
| Debt Service:                            |            |                                 |                                  |
| Lease interest                           | 13,254     | 13,000                          | (254)                            |
| Lease principal                          | 184,065    | 183,000                         | (1,065)                          |
| Total Expenditures                       | \$ 273,840 | \$ 321,000                      | \$ 47,160                        |

**TOWN OF EATON, COLORADO**  
**SPECIAL REVENUE FUNDS**  
**STREET FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020 | Actual      | Estimate    | Variance   |
|------------------------------|-------------|-------------|------------|
| Sales Taxes                  | \$ 843,443  | \$ 600,000  | \$ 243,443 |
| B and D Taxes                | 15,940      | 29,000      | (13,060)   |
| Highway Users Tax            | 164,979     | 165,000     | (21)       |
| Motor Vehicle Fees           | 23,348      | 24,000      | (652)      |
| County Road and Bridge       | 62,280      | 52,000      | 10,280     |
| Severance tax and other      | 135,209     | 150,000     | (14,791)   |
| Total Revenue                | \$1,245,199 | \$1,020,000 | \$ 225,199 |

**Schedule of Expenditures Compared with Budget**

| Year Ended December 31, 2020           | Actual     | Original Budget | Final Budget | Variance from Final Budget |
|----------------------------------------|------------|-----------------|--------------|----------------------------|
| Streets:                               |            |                 |              |                            |
| Current operating:                     |            |                 |              |                            |
| Salaries                               | \$ 65,821  | \$ 60,680       | \$ 60,680    | \$ (5,141)                 |
| Employee benefits                      | 15,058     | 16,000          | 16,000       | 942                        |
| Operating supplies                     | 28,860     | 22,000          | 22,000       | (6,860)                    |
| Insurance                              | 5,252      | 5,999           | 5,999        | 747                        |
| Professional services                  | 15,407     | 13,500          | 13,500       | (1,907)                    |
| Construction engineering               | 11,118     | 45,000          | 45,000       | 33,882                     |
| Snow removal                           | -          | 2,500           | 2,500        | 2,500                      |
| Street lighting                        | 99,358     | 93,000          | 93,000       | (6,358)                    |
| Equipment maintenance                  | 10,732     | 18,000          | 18,000       | 7,268                      |
| Street signs                           | 18,797     | 25,000          | 25,000       | 6,203                      |
| Equipment acquisition                  | 75,229     | 80,000          | 80,000       | 4,771                      |
| Capital outlay, patching, seal coating | 640,892    | 810,000         | 810,000      | 169,108                    |
| Total Expenditures - Streets           | \$ 986,524 | \$1,191,679     | \$1,191,679  | \$ 205,155                 |

## **ADDITIONAL INFORMATION**

**TOWN OF EATON, COLORADO**  
**PERMANENT FUNDS**  
**CEMETARY PERPETUAL CARE FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020 | Actual   | Estimate | Variance |
|------------------------------|----------|----------|----------|
| Lot Sales                    | \$ 2,919 | \$ -     | \$ 2,919 |
| Interest                     | 521      | -        | 521      |
| Total Revenue                | \$ 3,440 | \$ -     | \$ 3,440 |

**Schedule of Expenditures Compared with Budget**

| Year Ended December 31, 2020 | Actual | Original<br>and Final<br>Budget | Variance<br>From Final<br>Budget |
|------------------------------|--------|---------------------------------|----------------------------------|
| Expenditures:                |        |                                 |                                  |
| Cemetery                     | \$ -   | \$ -                            | \$ -                             |
| Total Expenditures           | \$ -   | \$ -                            | \$ -                             |

**TOWN OF EATON, COLORADO**  
**NONMAJOR ENTERPRISE FUNDS**

**COMBINING STATEMENT OF NET POSITION**

| December 31, 2020                     | Sanitation<br>Fund | Irrigation<br>Fund | Total<br>Nonmajor<br>Enterprise<br>Funds |
|---------------------------------------|--------------------|--------------------|------------------------------------------|
| <b>ASSETS</b>                         |                    |                    |                                          |
| Current Assets:                       |                    |                    |                                          |
| Equity in pooled cash and investments | \$ 213,903         | \$ 292,494         | \$ 506,397                               |
| Accounts receivable                   | 23,580             | (12,646)           | 10,934                                   |
| Total Current Assets                  | 237,483            | 279,848            | 517,331                                  |
| Property, Plant, and Equipment:       |                    |                    |                                          |
| Distribution/collection system        | -                  | 1,159,952          | 1,159,952                                |
| Vehicles                              | -                  | 17,378             | 17,378                                   |
| Equipment                             | 26,731             | -                  | 26,731                                   |
|                                       | 26,731             | 1,177,330          | 1,204,061                                |
| Accumulated depreciation              | (22,431)           | (393,139)          | (415,570)                                |
| Total Property, Plant, and Equipment  | 4,300              | 784,191            | 788,491                                  |
| Total Assets                          | 241,783            | 1,064,039          | 1,305,822                                |
| <b>LIABILITIES</b>                    |                    |                    |                                          |
| Current Liabilities:                  |                    |                    |                                          |
| Accounts payable                      | 40,116             | 949                | 41,065                                   |
| Total Current Liabilities             | 40,116             | 949                | 41,065                                   |
| <b>NET POSITION</b>                   |                    |                    |                                          |
| Net Investment in Capital Assets      | 4,300              | 784,191            | 788,491                                  |
| Unrestricted                          | 197,367            | 278,899            | 476,266                                  |
| TOTAL NET POSITION                    | \$ 201,667         | \$ 1,063,090       | \$ 1,264,757                             |

**TOWN OF EATON, COLORADO**  
**NONMAJOR ENTERPRISE FUNDS**

**COMBINING STATEMENT OF REVENUE, EXPENSES**  
**AND CHANGES IN FUND NET POSITION**

| Year Ended December 31, 2020                                  | Sanitation<br>Fund | Irrigation<br>Fund | Total<br>Nonmajor<br>Enterprise<br>Funds |
|---------------------------------------------------------------|--------------------|--------------------|------------------------------------------|
| Operating Revenue - charges for services                      | \$ 517,725         | \$ 130,141         | \$ 647,866                               |
| Operating Expenses:                                           |                    |                    |                                          |
| Supplies                                                      | 1,298              | 953                | 2,251                                    |
| Contractual services                                          | 484,441            | 15,717             | 500,158                                  |
| Utilities                                                     | -                  | 22,387             | 22,387                                   |
| Repairs and maintenance                                       | -                  | 7,740              | 7,740                                    |
| Insurance                                                     | 591                | 1,000              | 1,591                                    |
| Other                                                         | 2,518              | -                  | 2,518                                    |
| Depreciation                                                  | 700                | 35,363             | 36,063                                   |
| Total Operating Expenses                                      | 489,548            | 83,160             | 572,708                                  |
| Income (Loss) Before Operating Transfers and<br>Contributions | 28,177             | 46,981             | 75,158                                   |
| Capital contributions                                         | -                  | -                  | -                                        |
| Operating Transfers Out - General Fund                        | (24,000)           | -                  | (24,000)                                 |
| Net Income (Loss)                                             | 4,177              | 46,981             | 51,158                                   |
| Net Position, January 1                                       | 197,490            | 1,016,109          | 1,213,599                                |
| Net Position, December 31                                     | \$ 201,667         | \$1,063,090        | \$1,264,757                              |

**TOWN OF EATON, COLORADO**  
**NONMAJOR ENTERPRISE FUNDS**

**COMBINED STATEMENT OF CASH FLOWS**

| Year Ended December 31, 2020                                                        | Sanitation<br>Fund | Irrigation<br>Fund | Total<br>Nonmajor<br>Enterprise<br>Funds |
|-------------------------------------------------------------------------------------|--------------------|--------------------|------------------------------------------|
| Cash Flows from Operating Activities:                                               |                    |                    |                                          |
| Cash received from customers                                                        | \$ 533,148         | \$ 146,754         | \$ 679,902                               |
| Cash payments:                                                                      |                    |                    |                                          |
| To suppliers for goods and services                                                 | (486,080)          | (51,725)           | (537,805)                                |
| Net Cash Provided by Operating Activities                                           | 47,068             | 95,029             | 142,097                                  |
| Cash Flows from Noncapital Financing<br>Activities:                                 |                    |                    |                                          |
| Operating transfers out - General Fund                                              | (24,000)           | -                  | (24,000)                                 |
| Cash Flows from Capital and Related<br>Financing Activities:                        |                    |                    |                                          |
| Acquisition of equipment                                                            | (1,000)            | -                  | (1,000)                                  |
| Net Increase (Decrease) in Cash                                                     | 22,068             | 95,029             | 117,097                                  |
| Cash and Cash Equivalents, January 1                                                | 191,835            | 197,465            | 389,300                                  |
| Cash and Cash Equivalents, December 31                                              | \$ 213,903         | \$ 292,494         | \$ 506,397                               |
| Reconciliation of Operating Income to Net<br>Cash Provided by Operating Activities: |                    |                    |                                          |
| Operating income (loss)                                                             | \$ 28,177          | \$ 46,981          | \$ 75,158                                |
| Depreciation                                                                        | 700                | 35,363             | 36,063                                   |
| Change in assets and liabilities:                                                   |                    |                    |                                          |
| (Increase) decrease in:                                                             |                    |                    |                                          |
| Accounts receivable                                                                 | 15,423             | 16,613             | 32,036                                   |
| Increase (decrease) in:                                                             |                    |                    |                                          |
| Accounts payable                                                                    | 2,768              | (3,928)            | (1,160)                                  |
| Net Cash Provided by Operating Activities                                           | \$ 47,068          | \$ 95,029          | \$ 142,097                               |
| Disclosure of Noncash Investing Activities:                                         |                    |                    |                                          |
| Contributed Infrastructure                                                          | \$ -               | \$ -               | \$ -                                     |

**TOWN OF EATON, COLORADO**  
**ENTERPRISE FUNDS - WATER FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020 | Actual             | Estimate           | Variance           |
|------------------------------|--------------------|--------------------|--------------------|
| Operating Revenue:           |                    |                    |                    |
| Water service fees           | \$2,115,413        | \$2,275,000        | \$ (159,587)       |
| Miscellaneous                | 1,686              | 400                | 1,286              |
| Nonoperating Revenue:        |                    |                    |                    |
| Interest                     | 161                | 125                | 36                 |
| Tap fees                     | 301,607            | 195,000            | 106,607            |
| <b>Total Revenue</b>         | <b>\$2,418,867</b> | <b>\$2,470,525</b> | <b>\$ (51,658)</b> |

**Schedule of Expenses and Transfers Compared with Budget**  
**(Non-GAAP Budget Basis)**

| Year Ended December 31, 2020           | Actual             | Budget             | Variance          |
|----------------------------------------|--------------------|--------------------|-------------------|
| Operating Expenses:                    |                    |                    |                   |
| Personnel:                             |                    |                    |                   |
| Salaries                               | \$ 62,990          | \$ 60,429          | \$ (2,561)        |
| Employee benefits                      | 21,556             | 18,200             | (3,356)           |
| Supplies                               | 14,911             | 5,600              | (9,311)           |
| Contractual services                   | 88,660             | 44,000             | (44,660)          |
| Utilities                              | 15,574             | 15,500             | (74)              |
| Repairs and maintenance                | 76,531             | 150,000            | 73,469            |
| Insurance                              | 18,618             | 19,374             | 756               |
| Water assessments                      | 84,262             | 96,000             | 11,738            |
| NISP expenses                          | 325,020            | 325,000            | (20)              |
| NWCWD purchases                        | 860,952            | 1,048,000          | 187,048           |
| Miscellaneous                          | 3,762              | 2,500              | (1,262)           |
| <b>Total Operating Expenses</b>        | <b>1,572,836</b>   | <b>1,784,603</b>   | <b>211,767</b>    |
| Nonoperating Expenses:                 |                    |                    |                   |
| Capital outlay                         | 1,579,382          | 1,598,686          | 19,304            |
| Loan payments                          | 184,168            | 184,168            | -                 |
| <b>Total Nonoperating Expenses</b>     | <b>1,763,550</b>   | <b>1,782,854</b>   | <b>19,304</b>     |
| Operating Transfers Out - General Fund | 26,000             | 26,000             | -                 |
| <b>Total Expenses and Transfers</b>    | <b>\$3,362,386</b> | <b>\$3,593,457</b> | <b>\$ 231,071</b> |



**TOWN OF EATON, COLORADO**  
**ENTERPRISE FUNDS - SEWER FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020 | Actual     | Estimate   | Variance  |
|------------------------------|------------|------------|-----------|
| Operating Revenue:           |            |            |           |
| Sewer service charges        | \$ 831,504 | \$ 790,000 | \$ 41,504 |
| Miscellaneous                | -          |            | -         |
| Nonoperating Revenue:        |            |            |           |
| Sewer tap fees               | 106,130    | 90,000     | 16,130    |
| Interest revenue             | 991        | 400        | 591       |
| Total Revenue                | \$ 938,625 | \$ 880,400 | \$ 58,225 |

**Schedule of Expenses and Transfers Compared with Budget**  
**(Non-GAAP Budget Basis)**

| Year Ended December 31, 2020           | Actual     | Budget     | Variance   |
|----------------------------------------|------------|------------|------------|
| Operating Expenses:                    |            |            |            |
| Personnel:                             |            |            |            |
| Salaries                               | \$ 78,023  | \$ 79,254  | \$ 1,231   |
| Employee benefits                      | 17,704     | 23,776     | 6,072      |
| Supplies                               | 43,428     | 36,600     | (6,828)    |
| Contractual services                   | 40,786     | 33,000     | (7,786)    |
| Utilities                              | 81,050     | 84,000     | 2,950      |
| Repairs and maintenance                | 89,571     | 100,000    | 10,429     |
| Insurance                              | 37,369     | 39,131     | 1,762      |
| Miscellaneous                          | 7,148      | -          | (7,148)    |
| Total Operating Expenses               | 395,079    | 395,761    | 682        |
| Nonoperating Expenses:                 |            |            |            |
| Loan payments                          | 313,640    | 313,640    | -          |
| Capital outlay                         | 3,000      | 163,000    | 160,000    |
| Total Nonoperating Expenses            | 316,640    | 476,640    | 160,000    |
| Operating Transfers Out - General Fund | 26,000     | 26,000     | -          |
| Total Expenses and Transfers           | \$ 737,719 | \$ 898,401 | \$ 160,682 |

**TOWN OF EATON, COLORADO**  
**ENTERPRISE FUNDS - SANITATION FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020              | Actual     | Estimate   | Variance  |
|-------------------------------------------|------------|------------|-----------|
| Operating Revenue - Trash collection fees | \$ 517,725 | \$ 504,888 | \$ 12,837 |
| Total Revenue                             | \$ 517,725 | \$ 504,888 | \$ 12,837 |

**Schedule of Expenses and Transfers Compared with Budget**  
**(Non-GAAP Budget Basis)**

| Year Ended December 31, 2020           | Actual     | Budget     | Variance  |
|----------------------------------------|------------|------------|-----------|
| Operating Expenses:                    |            |            |           |
| Supplies                               | \$ 1,298   | \$ 1,500   | \$ 202    |
| Miscellaneous                          | 2,518      | 4,000      | 1,482     |
| Contractual services                   | 484,441    | 510,078    | 25,637    |
| Insurance                              | 591        | 563        | (28)      |
| Total Operating Expenses               | 488,848    | 516,141    | 27,293    |
| Nonoperating Expenses:                 |            |            |           |
| Capital outlay                         | 1,000      | 1,000      | -         |
| Operating Transfers Out - General Fund | 24,000     | 24,000     | -         |
| Total Expenses and Transfers           | \$ 513,848 | \$ 541,141 | \$ 27,293 |

**TOWN OF EATON, COLORADO**  
**ENTERPRISE FUNDS - IRRIGATION FUND**

**Schedule of Revenue Compared with Estimate**

| Year Ended December 31, 2020   | Actual     | Estimate   | Variance  |
|--------------------------------|------------|------------|-----------|
| Operating Revenue - Irrigation | \$ 130,141 | \$ 120,000 | \$ 10,141 |
| Total Revenue                  | \$ 130,141 | \$ 120,000 | \$ 10,141 |

**Schedule of Expenses Compared with Budget**  
**(Non-GAAP Budget Basis)**

| Year Ended December 31, 2020 | Actual    | Estimate   | Variance  |
|------------------------------|-----------|------------|-----------|
| Operating Expenses:          |           |            |           |
| Supplies                     | \$ 953    | \$ 975     | \$ 22     |
| Insurance                    | 1,000     | 1,219      | 219       |
| Professional services        | 15,717    | 17,000     | 1,283     |
| Utilities                    | 22,387    | 28,000     | 5,613     |
| Miscellaneous                | -         | -          | -         |
| Repairs and maintenance      | 7,740     | 35,000     | 27,260    |
| Total Operating Expenses     | 47,797    | 82,194     | 34,397    |
| Nonoperating Expenses:       |           |            |           |
| Capital outlay               | 1,000     | 40,000     | 39,000    |
| Total Expenses               | \$ 48,797 | \$ 122,194 | \$ 73,397 |

|                                                                 |                           |                                                             |                                          |
|-----------------------------------------------------------------|---------------------------|-------------------------------------------------------------|------------------------------------------|
| <b>LOCAL HIGHWAY FINANCE REPORT</b>                             |                           | STATE:<br>Colorado<br>YEAR ENDING (mm/yy):<br>December 2020 |                                          |
| <b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>       |                           |                                                             |                                          |
| <b>ITEM</b>                                                     | <b>AMOUNT</b>             | <b>ITEM</b>                                                 | <b>AMOUNT</b>                            |
| <b>A.3. Other local imposts:</b>                                |                           | <b>A.4. Miscellaneous local receipts:</b>                   |                                          |
| a. Property Taxes and Assessments                               |                           | a. Interest on investments                                  |                                          |
| b. Other local imposts:                                         |                           | b. Traffic Fines & Penalties                                |                                          |
| 1. Sales Taxes                                                  | 843,443                   | c. Parking Garage Fees                                      |                                          |
| 2. Infrastructure & Impact Fees                                 |                           | d. Parking Meter Fees                                       |                                          |
| 3. Liens                                                        |                           | e. Sale of Surplus Property                                 |                                          |
| 4. Licenses                                                     | 62,280                    | f. Charges for Services                                     |                                          |
| 5. Specific Ownership &/or Other                                | 15,940                    | g. Other Misc. Receipts                                     |                                          |
| 6. Total (1. through 5.)                                        | 921,663                   | h. Other                                                    | 135,209                                  |
| c. Total (a. + b.)                                              | 921,663                   | i. Total (a. through h.)                                    | 135,209                                  |
|                                                                 | (Carry forward to page 1) |                                                             | (Carry forward to page 1)                |
| <b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b> |                           |                                                             |                                          |
| <b>ITEM</b>                                                     | <b>AMOUNT</b>             | <b>ITEM</b>                                                 | <b>AMOUNT</b>                            |
| <b>C. Receipts from State Government</b>                        |                           | <b>D. Receipts from Federal Government</b>                  |                                          |
| 1. Highway-user taxes                                           | 164,979                   | 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                                  | 23,348                    | 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.)                                        | 23,348                    | g. Total (a. through f.)                                    | 0                                        |
| 4. Total (1. + 2. + 3.f)                                        | 188,327                   | 3. Total (1. + 2.g)                                         |                                          |
|                                                                 |                           |                                                             | (Carry forward to page 1)                |
|                                                                 |                           | ON NATIONAL<br>HIGHWAY<br>SYSTEM<br>(a)                     | OFF NATIONAL<br>HIGHWAY<br>SYSTEM<br>(b) |
|                                                                 |                           | TOTAL<br>(c)                                                |                                          |
| <b>A.1. Capital outlay:</b>                                     |                           |                                                             |                                          |
| a. Right-Of-Way Costs                                           |                           |                                                             | 0                                        |
| b. Engineering Costs                                            |                           |                                                             | 0                                        |
| c. Construction:                                                |                           |                                                             |                                          |
| (1). New Facilities                                             |                           |                                                             | 0                                        |
| (2). Capacity Improvements                                      |                           |                                                             | 0                                        |
| (3). System Preservation                                        |                           |                                                             | 0                                        |
| (4). System Enhancement & Operation                             |                           |                                                             | 0                                        |
| (5). Total Construction (1) + (2) + (3) + (4)                   |                           | 0                                                           | 0                                        |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)             |                           | 0                                                           | 0                                        |
|                                                                 |                           |                                                             | (Carry forward to page 1)                |
| <b>Notes and Comments:</b>                                      |                           |                                                             |                                          |

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

|                                                                        |  |                                |                        |
|------------------------------------------------------------------------|--|--------------------------------|------------------------|
| <b>LOCAL HIGHWAY FINANCE REPORT</b>                                    |  | City or County:<br>Weld        |                        |
|                                                                        |  | YEAR ENDING :<br>December 2020 |                        |
| This Information From The Records Of (example - City of _ or County of |  | Prepared By:<br>Faith Smith    | Phone:<br>970-454-3338 |

  

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

  

| II. RECEIPTS FOR ROAD AND STREET PURPOSES                   |           | III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES   |         |
|-------------------------------------------------------------|-----------|---------------------------------------------------|---------|
| ITEM                                                        | AMOUNT    | ITEM                                              | AMOUNT  |
| <b>A. Receipts from local sources:</b>                      |           | <b>A. Local highway disbursements:</b>            |         |
| 1. Local highway-user taxes                                 |           | 1. Capital outlay (from page 2)                   | 0       |
| a. Motor Fuel (from Item I.A.5.)                            |           | 2. Maintenance:                                   | 807,732 |
| b. Motor Vehicle (from Item I.B.5.)                         |           | 3. Road and street services:                      |         |
| c. Total (a.+b.)                                            |           | a. Traffic control operations                     | 18,797  |
| 2. General fund appropriations                              |           | b. Snow and ice removal                           |         |
| 3. Other local imposts (from page 2)                        | 921,663   | c. Other                                          | 125,883 |
| 4. Miscellaneous local receipts (from page 2)               | 135,209   | d. Total (a. through c.)                          | 144,680 |
| 5. Transfers from toll facilities                           |           | 4. General administration & miscellaneous         | 34,112  |
| 6. Proceeds of sale of bonds and notes:                     |           | 5. Highway law enforcement and safety             |         |
| a. Bonds - Original Issues                                  |           | 6. Total (1 through 5)                            | 986,524 |
| b. Bonds - Refunding Issues                                 |           | <b>B. Debt service on local obligations:</b>      |         |
| c. Notes                                                    |           | 1. Bonds:                                         |         |
| d. Total (a. + b. + c.)                                     | 0         | a. Interest                                       |         |
| 7. Total (1 through 6)                                      | 1,056,872 | b. Redemption                                     |         |
| <b>B. Private Contributions</b>                             |           | c. Total (a. + b.)                                | 0       |
| <b>C. Receipts from State government</b><br>(from page 2)   | 188,327   | 2. Notes:                                         |         |
| <b>D. Receipts from Federal Government</b><br>(from page 2) | 0         | a. Interest                                       |         |
| <b>E. Total receipts (A.7 + B + C + D)</b>                  | 1,245,199 | b. Redemption                                     |         |
|                                                             |           | c. Total (a. + b.)                                | 0       |
|                                                             |           | 3. Total (1.c + 2.c)                              | 0       |
|                                                             |           | <b>C. Payments to State for highways</b>          |         |
|                                                             |           | <b>D. Payments to toll facilities</b>             |         |
|                                                             |           | <b>E. Total disbursements (A.6 + B.3 + C + D)</b> | 986,524 |

  

| IV. LOCAL HIGHWAY DEBT STATUS<br>(Show all entries at par) |              |               |             |              |
|------------------------------------------------------------|--------------|---------------|-------------|--------------|
|                                                            | Opening Debt | Amount Issued | Redemptions | Closing Debt |
| <b>A. Bonds (Total)</b>                                    |              |               |             | 0            |
| 1. Bonds (Refunding Portion)                               |              |               |             |              |
| <b>B. Notes (Total)</b>                                    |              |               |             | 0            |

  

| V. LOCAL ROAD AND STREET FUND BALANCE |                      |                   |                        |                   |                   |
|---------------------------------------|----------------------|-------------------|------------------------|-------------------|-------------------|
|                                       | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|                                       | 748,665              | 1,245,199         | 986,524                | 1,007,340         | 0                 |

  

**Notes and Comments:**