

**Town of Granby
Granby, Colorado**

**Financial Statements
December 31, 2020**



**Town of Granby, Colorado
Financial Report
December 31, 2020**

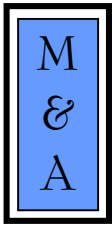
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Town Board Town of Granby

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express 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 of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Member: American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT
To the Mayor and Town Board
Town of Granby

Opinions

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

Other Matters

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

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison 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 statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements as a whole. The combining non-major fund financial statements, individual fund budgetary comparison information found in Section F, and the *Local Highway Finance Report* listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The combining non-major fund financial statements, individual fund budgetary comparison information found in Section F, and the *Local Highway Finance Report* are the responsibility of management and were derived from and relate 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 of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

McMahan and Associates, L.L.C.
McMahan and Associates, L.L.C.
June 1, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS



Town of Granby, Colorado

Management's Discussion and Analysis December 31, 2020

As management of the Town of Granby ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2020.

Financial Highlights

- The Town had an increase in net position of \$3,029,649. The increase was attributable to an increase of \$2,507,825 in governmental funds and an increase of \$521,824 in proprietary funds that were largely related the increase in sales and use tax and decrease in spending due to Covid-19 and wildfires.
- The Town's governmental funds combined fund balances increased by \$1,863,494, of which the General Fund and Sales Tax Capital Improvement Fund had excesses of revenues over expenditures of \$1,151,700 and \$741,316, respectively. A significant portion of the excesses are attributed to an increase in sales and use tax.
- Sales tax is accounted for in the General Fund and the Capital Improvement Fund, the Town's Sales Tax increased from \$3,884,380 in 2019 to \$4,782,987 in 2020, a 23% increase. The detail between funds is shown below:

	<u>2020</u>	<u>2019</u>
General Fund	4,185,114	3,398,832
Capital Improvement Fund	597,873	485,548
Total	<u>4,782,987</u>	<u>3,884,380</u>

- The Fleet Fund and Capital Improvement Fund received \$200,000 and \$400,000, respectively, from the General Fund. These funds were transferred for the purpose of funding future capital projects and equipment.
- The Town has enough unreserved governmental fund balance to cover expenditures, excluding the 2020 payments for the retirement of the 2007 Grand Elk Debt payments, for about 10 months.
- The Town refunded the 2007 Grand Elk Debt in October 2020, the refunding did not extend the maturity and will save the Town approximately \$1,648,000 over the life of the debt.

Overview of the Financial Statements

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

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

The Statement of Net Position presents information on all Town assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

Overview of the Financial Statements (continued)

Government-wide financial statements (continued):

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes and earned but unused vacation leave.)

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, streets, and parks and recreation. The business-type activities of the Town include water and sewer services. The Town also has a Fleet fund which accounts for purchases and disposition of equipment and vehicles that are utilized for governmental activities.

The government-wide financial statements include not only the Town itself (known as the primary government), but also the Grand Elk General Improvement Districts and the Granby West General Improvement District. Since the Town created the General Improvement Districts and the Town Board serves as the board for the Grand Elk and Granby West General Improvement Districts, the financial statements are required to be blended or combined for financial reporting purposes. Therefore, the financial information for Grand Elk General Improvement District is blended to include the financial information for the District as a fund of the Town. Additional information regarding Grand Elk General Improvement District is available on Page D1.

The government-wide financial statements can be found on pages C1 and C2 of this report.

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 state and 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 two categories: governmental and proprietary funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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 expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town adopts an annual appropriated budget for all funds to demonstrate compliance with the State budget statutes.

Overview of the Financial Statements (continued)

Proprietary funds: The Town maintains proprietary funds commonly known as enterprise funds. 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 water and sewer operations.

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 each of the business-type services provided by the Town, each of which is considered to be a major fund of the Town.

The basic proprietary fund financial statements can be found on pages C7 through C9 of this report. The Town also presents a budgetary comparison for its proprietary funds.

Internal Service Fund

The Town has a Fleet fund which accounts for purchases and disposition of equipment and vehicles that are utilized for governmental activities.

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 D1 through D21 of this report.

Overview of the Financial Statements (continued)

Government-wide Financial Analysis: The largest portion of the Town's assets is reflected in the investment in capital assets (i.e. land, buildings, improvements and equipment). Capital assets account for 67% of the total assets. The Town uses these assets to provide services to its citizens. Accordingly, these assets are not an available source for payment of future spending. Of the remaining net position, the Town's restricted net position has changed as follows:

	<u>1/1/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2020</u>
<i>General Fund:</i>				
Emergency reserves	\$ 181,550	\$ 22,715	\$ -	\$ 204,265
<i>Conservation Trust:</i>				
Recreation	39,570	-	(2,888)	36,682
<i>Grand Elk Fund:</i>				
Emergency reserves	28,483	8,957	-	37,440
Debt service	989,147	-	(27,393)	961,754
<i>Grand Elk Ranch No.2</i>				
Emergency reserves	20	1	-	21
<i>Water Fund:</i>				
Water Rights Acquisition	64,000	-	-	64,000
Water Quality Improvement	121,500	-	-	121,500
<i>South Service Water Fund:</i>				
Water Main Replacement	850,880	258,591	-	1,109,471
	<u>\$ 2,275,150</u>	<u>\$ 290,264</u>	<u>\$ (30,281)</u>	<u>\$ 2,535,133</u>

The following graphs show the Town's net position for 2019 and 2020:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets:						
Current and other assets	\$ 11,232,700	\$ 8,667,137	\$ 6,398,657	\$ 5,061,828	\$ 17,631,357	\$ 13,728,965
Capital assets	13,900,963	14,114,962	22,461,567	23,368,941	36,362,530	37,483,903
Total Assets	<u>25,133,663</u>	<u>22,782,099</u>	<u>28,860,224</u>	<u>28,430,769</u>	<u>53,993,887</u>	<u>51,212,868</u>
Deferred Outflow of Resources:						
Deferred charge on refunding	302,097	300,058	-	-	302,097	300,058
Total deferred outflow of resources	<u>302,097</u>	<u>300,058</u>	<u>-</u>	<u>-</u>	<u>302,097</u>	<u>300,058</u>
Liabilities:						
Other liabilities	318,067	153,741	39,813	30,507	357,880	184,248
Long-term liabilities	5,949,748	6,631,525	1,936,735	2,038,167	7,886,483	8,669,692
Total Liabilities	<u>6,267,815</u>	<u>6,785,266</u>	<u>1,976,548</u>	<u>2,068,674</u>	<u>8,244,363</u>	<u>8,853,940</u>
Deferred Inflow of Resources:						
Unavailable property tax revenue	954,271	877,838	-	-	954,271	877,838
Unavailable revenue - Other	547,219	260,423	16,086	16,329	563,305	276,752
Total deferred inflow of resources	<u>1,501,490</u>	<u>1,138,261</u>	<u>16,086</u>	<u>16,329</u>	<u>1,517,576</u>	<u>1,154,590</u>
Net Position:						
Net investment in capital assets	8,538,061	8,599,139	20,602,197	21,391,636	29,140,258	29,990,775
Restricted	1,240,162	1,238,770	1,294,971	1,036,380	2,535,133	2,275,150
Unrestricted	7,888,232	5,320,721	4,970,422	3,917,750	12,858,654	9,238,471
Total Net Position	<u>\$ 17,666,455</u>	<u>\$ 15,158,630</u>	<u>\$ 26,867,590</u>	<u>\$ 26,345,766</u>	<u>\$ 44,534,045</u>	<u>\$ 41,504,396</u>

Overview of the Financial Statements (continued)

At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same report can be made for the prior year.

The following chart is a summary of the Town's Change in Net Position:

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 1,200,666	\$ 1,078,972	\$ 2,769,717	\$ 2,693,234	\$ 3,970,383	\$ 3,772,206
Operating grants & contributions	248,232	134,877	1,692	4,806	249,924	139,683
Capital grants & contributions	39,444	8,906	402,214	274,203	441,658	283,109
General revenues:						
Property taxes	878,846	682,421	-	-	878,846	682,421
Sales and use taxes	5,347,317	4,590,299	-	-	5,347,317	4,590,299
Other taxes	225,762	220,645	-	-	225,762	220,645
Investment earnings and other revenue	549,873	303,529	105,460	71,665	655,333	375,194
Total Revenues	8,490,140	7,019,649	3,279,083	3,043,908	11,769,223	10,063,557
Expenses:						
General government	2,115,004	2,033,468	-	-	2,115,004	2,033,468
Public safety	1,343,963	1,148,207	-	-	1,343,963	1,148,207
Streets	1,389,221	1,404,238	-	-	1,389,221	1,404,238
Parks & recreation	850,304	809,660	-	-	850,304	809,660
Interest	283,823	367,825	-	-	283,823	367,825
Water	-	-	1,724,681	1,633,437	1,724,681	1,633,437
Sewer	-	-	1,032,578	1,021,522	1,032,578	1,021,522
Total Expenses	5,982,315	5,763,398	2,757,259	2,654,959	8,739,574	8,418,357
Change in Net Position	2,507,825	1,256,251	521,824	388,949	3,029,649	1,645,200
Net Position - Beginning	15,158,630	13,902,379	26,345,766	25,956,817	41,504,396	39,859,196
Net Position - Ending	\$ 17,666,455	\$ 15,158,630	\$ 26,867,590	\$ 26,345,766	\$ 44,534,045	\$ 41,504,396

Governmental activities: Governmental activities increased the Town's net position by \$1,151,700 . Key elements of this increase was caused by an increase of sales and use tax of \$3,190,279 and an increase in short term rental fees of \$131,501, this increase was caused by the addition of short term rentals at Sun.

Overview of the Financial Statements (continued)

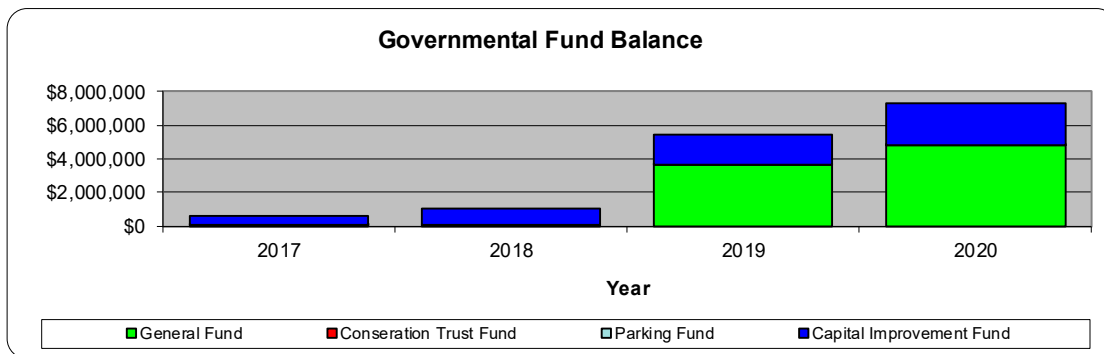
Business-type activities: Business-type activities increased the Town's net position by \$521,824. Key elements of this change are as follows:

- Increase in collection of plant investment fees, grants, and conservative budgeting due to Covid-19.

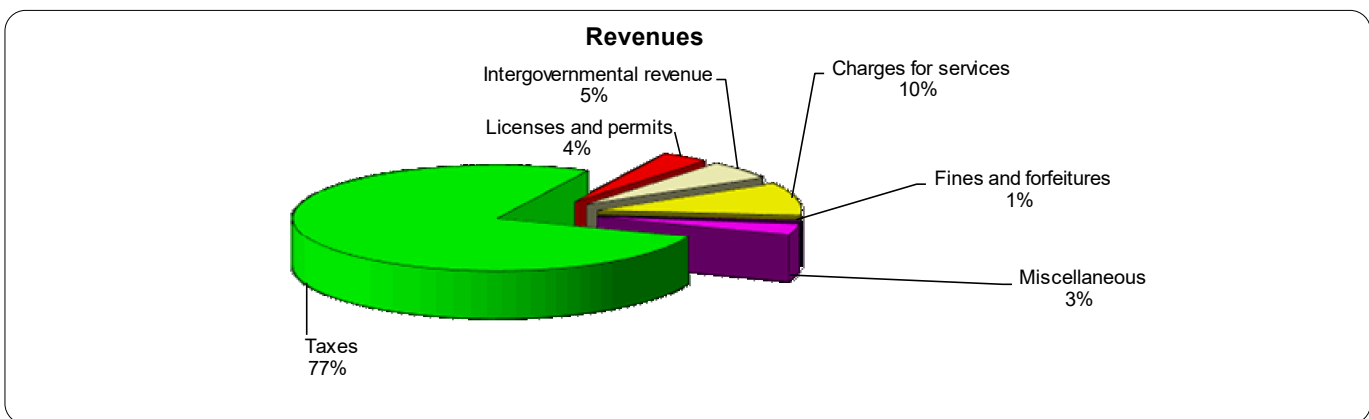
Financial Analysis of the Town's Funds

As mentioned on page B1 of this analysis, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

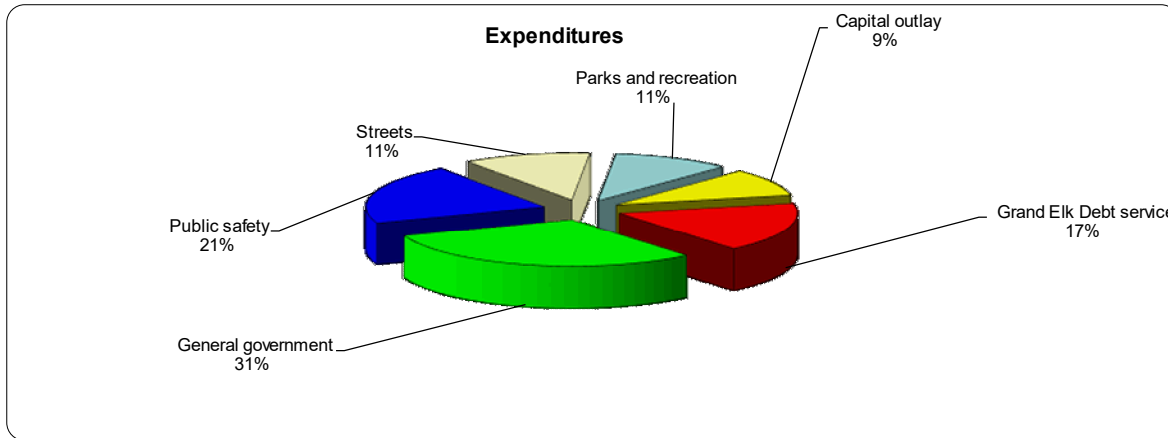
Governmental funds: The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$8,392,874, an increase of \$1,863,494 from the prior year ending fund balances. The Town's fund balances for past three years and 2020 are presented in graph format below. To increase comparability, the graph excludes the Grand Elk General Improvement District and Granby West General Improvement District.



The Town's total governmental fund revenues were from the following sources:



The following is a graph of the Town's governmental activities expenditures by function for 2020:



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

Budget variances in the General Fund: The Town's significant General Fund budget variances are detailed as follows:

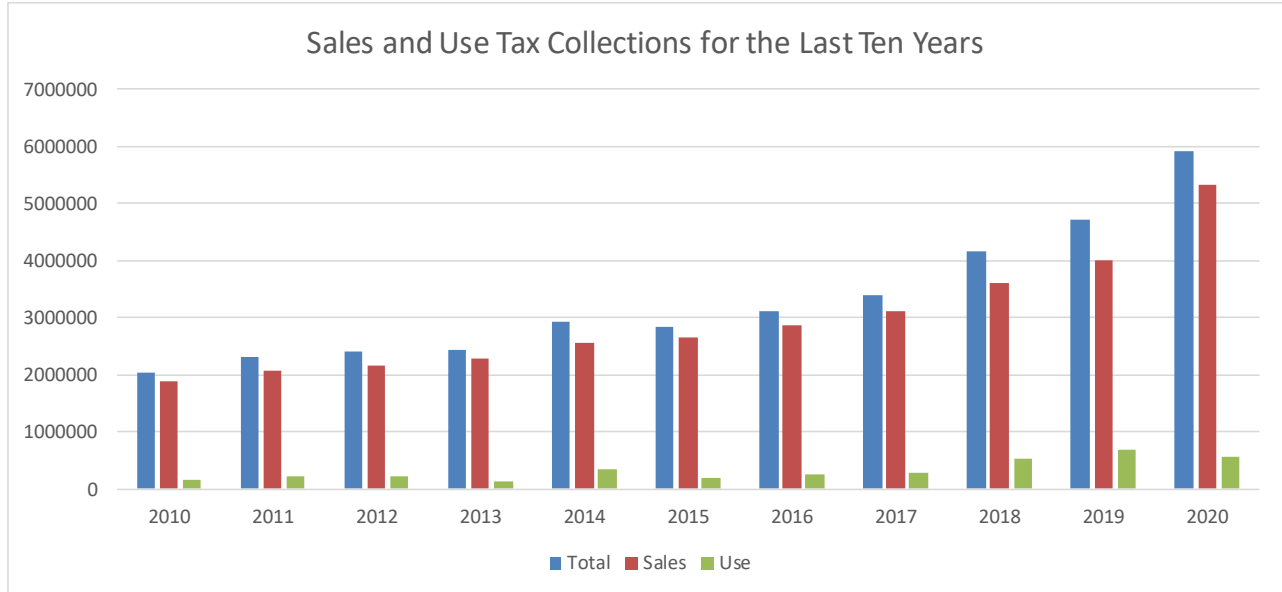
	Final Budget	Actual	Variance	Reason
Revenues:				
Sales & use	\$ 3,853,402	\$ 4,679,955	\$ 826,553	Collection of online sales tax and sales tax in general w as higher than expected
Other licenses and permits	169,025	309,893	140,868	Received additional funds from Winter Park IGA for building permits
Recreation revenue	157,500	114,986	(42,514)	Covid-19 and wildfires affected participation
Developer revenue sharing	16,800	88,800	72,000	Revenue w as not budgeted
Total Revenues	5,153,862	6,267,165	1,113,303	
Expenditures:				
Economic development	323,350	191,399	131,951	Chamber and grant funding inactive due to Covid-19
Administrative	923,477	794,392	129,085	Conservative budgeting for staffing and benefits
Planning	177,710	64,671	113,039	Delayed hiring due to Covid-19 and conservative budgeting
Street	794,445	683,039	111,406	Delayed hiring due to Covid-19 paired w ith low er maintenance cost due to low snow year
Recreation	468,656	399,431	69,225	Few er recreation programs due to Covid-19
Parks	328,910	271,260	57,650	Parks w ere closed part of the year due to Covid-19 executive orders
Total Expenditures	5,094,132	4,465,465	628,667	

Capital assets: The Town's government-wide capital assets, net of accumulated depreciation, increased due to asset additions during the year. Additional information as well as a detailed classification of the Town's net capital assets can be found in the Notes to the Financial Statements on pages D14 and D15 of this report.

Long-term debts: As of the end of the current fiscal year, the Town had \$7,872,897 in total long-term debts. This includes \$5,665,000 of Grand Elk General Improvement District G.O. bonded debt which is solely the responsibility of the District. The Town has no responsibility for the debt, other than its responsibility as the primary government sponsoring the District. Additionally, the Town's North Service Area Water Fund has a Colorado Water Conservation Board note. The South Service Area Sewer Enterprise has a Colorado Water and Power Development Authority Loan for DeBerard Draw. Further information regarding the Town's debt can be found on pages D16 through D18.

Financial Analysis of the Town's Funds (continued)

Sales and Use Tax: The Town has 4% sales and use tax that is used to fund its governmental operations. 12.5% of the tax collected is placed in the Capital Improvement Fund for future capital acquisitions. The increase in total in sales and use tax from 2019 was \$757,018 or 16.49%. The following chart indicates changes in the sales and use tax over the past several years. The chart does not take into account revenue sharing agreements.



Next year's budget and rates: The Town's General Fund balance at the end of the current fiscal year was \$4,787,527. The Town's 2021 budget is conservatively prepared and anticipates net income of \$22,826. The budget includes land sale of \$2,985,000 along with transfers of \$3,190,279 and grant expenditures of \$84,355. The projected ending fund balance is \$4,520,720. There are several designated and restricted reserves which will be used for specific projects.

Request for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Finance Director, P.O. Box 440, Granby, Colorado 80446.

GOVERNMENT-WIDE FINANCIAL STATEMENTS



Town of Granby, Colorado
Statement of Net Position
December 31, 2020

	Governmental Activities	Business type Activities	Total
Assets:			
Cash and investments - Unrestricted	8,189,702	6,238,785	14,428,487
Cash and investments - Restricted	689,044	-	689,044
Cash with Treasurer	5,536	-	5,536
Accounts, taxes, and interest receivable	2,305,584	159,872	2,465,456
Due from other governments	38,120	-	38,120
Prepaid expenses	4,714	-	4,714
Total current assets	<u>11,232,700</u>	<u>6,398,657</u>	<u>17,631,357</u>
Capital assets:			
Water rights	-	920,107	920,107
Land & Improvements	4,692,405	9,804	4,702,209
Infrastructure	14,976,691	-	14,976,691
System and improvements	-	24,192,903	24,192,903
Buildings and improvements	9,313,259	7,603,811	16,917,070
Equipment	3,019,161	748,796	3,767,957
Less accumulated depreciation	(18,100,553)	(11,013,854)	(29,114,407)
Total capital assets (net of accumulated depr.)	<u>13,900,963</u>	<u>22,461,567</u>	<u>36,362,530</u>
Total assets	<u>25,133,663</u>	<u>28,860,224</u>	<u>53,993,887</u>
Deferred Outflow of Resources:			
Deferred charge on refunding	302,097	-	302,097
Total deferred outflow of resources	<u>302,097</u>	<u>-</u>	<u>302,097</u>
Liabilities:			
Current liabilities:			
Accounts payable	214,473	26,973	241,446
Accrued expenses	881	8,340	9,221
Deposits	102,713	4,500	107,213
Total current liabilities:	<u>318,067</u>	<u>39,813</u>	<u>357,880</u>
Noncurrent liabilities:			
Compensated absences	271,162	77,365	348,527
Accrued interest	13,586	-	13,586
Due within one year	580,000	120,640	700,640
Due in more than one year	5,085,000	1,738,730	6,823,730
Total noncurrent liabilities	<u>5,949,748</u>	<u>1,936,735</u>	<u>7,886,483</u>
Total liabilities	<u>6,267,815</u>	<u>1,976,548</u>	<u>8,244,363</u>
Deferred Inflow of Resources:			
Unavailable property tax revenue	954,271	-	954,271
Unavailable revenue - Other	547,219	16,086	563,305
Total deferred inflow of resources	<u>1,501,490</u>	<u>16,086</u>	<u>1,517,576</u>
Net Position:			
Net Investment in capital assets	8,538,061	20,602,197	29,140,258
Restricted	1,240,162	1,294,971	2,535,133
Unrestricted	7,888,232	4,970,422	12,858,654
Total Net Position	<u>17,666,455</u>	<u>26,867,590</u>	<u>44,534,045</u>

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

Town of Granby, Colorado
Statement of Activities
December 31, 2020

	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		
					<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Functions/Programs							
Primary government:							
Governmental activities:							
General government	2,115,004	364,418	140,159	-	(1,610,427)	-	(1,610,427)
Public safety	1,343,963	123,290	1,800	39,444	(1,179,429)	-	(1,179,429)
Streets	1,389,221	564,551	72,102	-	(752,568)	-	(752,568)
Parks and recreation	850,304	148,407	34,171	-	(667,726)	-	(667,726)
Interest	283,823	-	-	-	(283,823)	-	(283,823)
Total Governmental Activities	<u>5,982,315</u>	<u>1,200,666</u>	<u>248,232</u>	<u>39,444</u>	<u>(4,493,973)</u>	<u>-</u>	<u>(4,493,973)</u>
Business-type activities:							
Water	1,724,682	1,776,425	1,692	323,238	-	376,673	376,673
Sewer	1,032,578	993,292	-	78,976	-	39,690	39,690
Total Business-type Activities	<u>2,757,260</u>	<u>2,769,717</u>	<u>1,692</u>	<u>402,214</u>	<u>-</u>	<u>416,363</u>	<u>416,363</u>
Total Primary Government	<u><u>8,739,575</u></u>	<u><u>3,970,383</u></u>	<u><u>249,924</u></u>	<u><u>441,658</u></u>	<u><u>(4,493,973)</u></u>	<u><u>416,363</u></u>	<u><u>(4,077,610)</u></u>
General Revenues:							
Property tax, levied for general purposes					878,846	-	878,846
Specific ownership tax					65,647	-	65,647
General sales and use tax					5,347,317	-	5,347,317
Franchise tax					133,679	-	133,679
Other miscellaneous taxes					26,436	-	26,436
Investment earnings					29,290	15,263	44,553
Grants and contributions not restricted to any program					267,419	90,198	357,617
Gain (loss) on disposal of assets					253,164	-	253,164
Miscellaneous							
Transfers					-	-	-
Special Items					-	-	-
Total General Revenues					<u>7,001,798</u>	<u>105,461</u>	<u>7,107,259</u>
Change in Net Position					<u>2,507,825</u>	<u>521,824</u>	<u>3,029,649</u>
Net Position - Beginning					<u>15,158,630</u>	<u>26,345,766</u>	<u>41,504,396</u>
Net Position - Ending					<u><u>17,666,455</u></u>	<u><u>26,867,590</u></u>	<u><u>44,534,045</u></u>

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

FUND FINANCIAL STATEMENTS



**Town of Granby, Colorado
Balance Sheet
Governmental Funds
December 31, 2020**

	<u>General</u>	<u>Grand Elk GID</u>	<u>Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Cash and investments - Unrestricted	4,580,803	312,920	2,506,840	40,031	7,440,594
Cash and Investments - Restricted	-	689,044	-	-	689,044
Cash with County Treasurer	2,885	2,647	-	4	5,536
Receivables, net of allowance for uncollectibles	1,686,699	551,416	85,786	924	2,324,825
Due from other governments	18,879	-	-	-	18,879
Prepaid expenses	4,714	-	-	-	4,714
Total Assets	<u>6,293,980</u>	<u>1,556,027</u>	<u>2,592,626</u>	<u>40,959</u>	<u>10,483,592</u>
Liabilities and Fund Equity:					
Liabilities:					
Accounts payable	128,276	20,134	66,061	-	214,471
Accrued compensated absences	271,162	-	-	-	271,162
Accrued expenses	881	-	-	-	881
Deposits	78,503	24,210	-	-	102,713
Total Liabilities	<u>478,822</u>	<u>44,344</u>	<u>66,061</u>	<u>-</u>	<u>589,227</u>
Deferred inflow of resources:					
Unavailable property tax revenue	480,411	472,936	-	925	954,272
Unavailable revenue - other	547,219	-	-	-	547,219
Total deferred inflow of resources	<u>1,027,630</u>	<u>472,936</u>	<u>-</u>	<u>925</u>	<u>1,501,491</u>
Fund Balances:					
Unspendable	4,714	-	-	-	4,714
Spendable:					
Restricted for emergencies	204,265	37,440	-	21	241,726
Restricted for recreation	-	-	-	36,682	36,682
Restricted for debt service	-	961,754	-	-	961,754
Committed	322,450	39,553	2,526,565	3,331	2,891,899
Unassigned	4,256,099	-	-	-	4,256,099
Total Fund Balances	<u>4,787,528</u>	<u>1,038,747</u>	<u>2,526,565</u>	<u>40,034</u>	<u>8,392,874</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>6,293,980</u>	<u>1,556,027</u>	<u>2,592,626</u>	<u>40,959</u>	<u>10,483,592</u>

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

Town of Granby
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position
December 31, 2020

Governmental Funds Total Fund Balance	8,392,874
 Add:	
Capital assets used in governmental activities are not considered current financial resources and, therefore, not reported in the governmental funds.	29,525,842
Deferred charges are capitalized and amortized over the life of the bond issue.	302,097
The Fleet Fund is an internal service fund that provides the majority of its services to governmental activities. Therefore its net position is included with governmental activities	1,560,542
 Less:	
Accumulated depreciation is not recognized in the governmental funds because capital assets are expensed at the time of acquisition	(16,436,314)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. This is the amount of bonded debt and capital leases owed.	(5,665,000)
Accrued interest is not due and payable in the current period and not reported in the fund. This represents accrued interest on the Town's debt.	(13,586)
Governmental Activities Net Position	<u>17,666,455</u>

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

Town of Granby, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	<u>General</u>	<u>Grand Elk GID</u>	<u>Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes	5,323,465	460,832	667,362	690	6,452,349
Licenses and permits	309,893	-	-	-	309,893
Intergovernmental revenue	235,137	-	213,127	21,940	470,204
Charges for services	278,555	554,472	-	-	833,027
Fines and forfeitures	58,701	-	-	-	58,701
Investment income	12,406	9,683	5,921	172	28,182
Donations and contributions	10,490	-	2,500	-	12,990
Miscellaneous	38,518	223,000	13,956	5,000	280,474
Total Revenues	<u>6,267,165</u>	<u>1,247,987</u>	<u>902,866</u>	<u>27,802</u>	<u>8,445,820</u>
Expenditures:					
General government	1,791,035	139,321	-	751	1,931,107
Public safety	1,314,948	-	-	-	1,314,948
Streets	683,039	42,172	-	-	725,211
Parks and recreation	670,691	-	-	-	670,691
Capital outlay	5,752	-	561,550	30,000	597,302
Debt service	-	6,758,067	-	-	6,758,067
Total Expenditures	<u>4,465,465</u>	<u>6,939,560</u>	<u>561,550</u>	<u>30,751</u>	<u>11,997,326</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,801,700</u>	<u>(5,691,573)</u>	<u>341,316</u>	<u>(2,949)</u>	<u>(3,551,506)</u>
Other Financing Sources (Uses):					
Bond proceeds	-	5,665,000	-	-	5,665,000
Transfers in	-	130,697	400,000	-	530,697
Transfers (out)	(650,000)	(130,697)	-	-	(780,697)
Total Other Financing Sources (Uses)	<u>(650,000)</u>	<u>5,665,000</u>	<u>400,000</u>	<u>-</u>	<u>5,415,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures					
Other Financing (Uses)	1,151,700	(26,573)	741,316	(2,949)	1,863,494
Fund Balances - Beginning	<u>3,635,828</u>	<u>1,065,320</u>	<u>1,785,249</u>	<u>42,983</u>	<u>6,529,380</u>
Fund Balances - Ending	<u>4,787,528</u>	<u>1,038,747</u>	<u>2,526,565</u>	<u>40,034</u>	<u>8,392,874</u>

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

Town of Granby
Reconciliation of Revenues, Expenditures and Changes in Fund
Balances (Deficit) of Governmental Fund to the Statement of Activities
For the Year Ended December 31, 2020

Governmental Funds Changes in Fund Balances	1,863,494
Add:	
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 of capitalized assets during the year.	591,550
Retirement of lease principal and bonds outstanding on the Town's debt result in a reduction of accumulated resources on the fund financial statements. The government-wide statements show these as reduction against the long-term liabilities.	6,372,750
The Fleet Fund is an internal service fund that provides the majority of its services to governmental activities. Therefore its net income or loss is shown as a governmental activity.	314,863
Less:	
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 depreciation expense for the year.	(980,812)
Debt proceeds represent inflows on the Fund financial statements but are treated as liabilities on the Statement of Position	(5,665,000)
Governmental funds report interest expense as it is paid. However in the Statement of Activities interest expense is reported when it is owed. This represents the change in accrued interest during the year.	<u>10,980</u>
Governmental Activities Change in Net Position	<u><u>2,507,825</u></u>

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

**Town of Granby
Statement of Net Position
Proprietary Funds
December 31, 2020**

	Business-Type Activities				Total	Governmental
	North Service Area Enterprise		South Service Area Enterprise			Internal
	Water Fund	Moraine Park Water Fund	Water Fund	Sewer Fund		Services Fund
Assets:						
Current assets:						
Cash and cash equivalents	1,107,863	74,078	3,293,193	1,763,656	6,238,790	749,108
Cash and cash equivalents - restricted	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Accounts receivables, net of allowance for uncollectibles	150,299	888	3,887	4,799	159,873	-
Inventories	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Total current assets	<u>1,258,162</u>	<u>74,966</u>	<u>3,297,080</u>	<u>1,768,455</u>	<u>6,398,663</u>	<u>749,108</u>
Non-current assets:						
Land and easements	9,804	-	-	-	9,804	-
Water rights	344,408	374,558	201,140	-	920,106	-
Water system and improvements	2,982,741	1,282,896	10,384,850	9,542,416	24,192,903	-
Building and improvements	408,774	-	7,195,037	-	7,603,811	-
Equipment	271,689	-	196,280	280,827	748,796	2,475,673
Construction in Progress	-	-	-	-	-	-
Less: Accumulated depreciation	<u>(2,712,494)</u>	<u>(192,434)</u>	<u>(4,524,899)</u>	<u>(3,584,027)</u>	<u>(11,013,854)</u>	<u>(1,664,239)</u>
Total non-current assets:	<u>1,304,922</u>	<u>1,465,020</u>	<u>13,452,408</u>	<u>6,239,216</u>	<u>22,461,566</u>	<u>811,434</u>
Total Assets	<u>2,563,084</u>	<u>1,539,986</u>	<u>16,749,488</u>	<u>8,007,671</u>	<u>28,860,229</u>	<u>1,560,542</u>
Liabilities:						
Current liabilities:						
Accounts payable	7,800	558	16,975	1,645	26,978	-
Accrued compensated absences	45,215	-	17,915	14,234	77,364	-
Accrued expenses	2,476	-	-	5,865	8,341	-
Deposits	1,500	-	3,000	-	4,500	-
Non-current liabilities due within one year:						
Loans	17,490	-	-	103,150	120,640	-
Total current liabilities:	<u>74,481</u>	<u>558</u>	<u>37,890</u>	<u>124,894</u>	<u>237,823</u>	<u>-</u>
Non-current liabilities:						
Non-Current Liabilities - due longer than one year:						
Loans	56,781	-	-	1,681,949	1,738,730	-
Total non-current liabilities	<u>56,781</u>	<u>-</u>	<u>-</u>	<u>1,681,949</u>	<u>1,738,730</u>	<u>-</u>
Total Liabilities	<u>131,262</u>	<u>558</u>	<u>37,890</u>	<u>1,806,843</u>	<u>1,976,553</u>	<u>-</u>
Deferred inflow of resources:						
Unearned revenue	-	-	16,086	-	16,086	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>16,086</u>	<u>-</u>	<u>16,086</u>	<u>-</u>
Net Position:						
Net Investment in capital assets	1,230,651	1,465,020	13,452,408	4,454,117	20,602,196	811,434
Restricted	185,500	-	1,109,471	-	1,294,971	-
Unrestricted	1,015,671	74,408	2,133,633	1,746,711	4,970,423	749,108
Total Net Position	<u>2,431,822</u>	<u>1,539,428</u>	<u>16,695,512</u>	<u>6,200,828</u>	<u>26,867,590</u>	<u>1,560,542</u>

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

Town of Granby
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Business-Type Activities				Total	Governmental
	North Service Area Enterprise		South Service Area Enterprise			Internal
	Water Fund	Moraine Park Water Fund	Water Fund	Sewer Fund		Services Fund
Operating Revenue:						
Utility sales	699,988	46,301	1,014,950	778,942	2,540,181	-
Other revenue	96,048	-	2,825	224,811	323,684	-
Charges for service	-	-	-	-	-	196,482
Operating Revenue	796,036	46,301	1,017,775	1,003,753	2,863,865	196,482
Operating Expenses:						
Salaries and employee benefits	388,461	21,868	212,860	151,409	774,598	-
Purchased services	99,596	10,672	180,866	548,702	839,836	-
Supplies	40,913	1,897	69,610	11,130	123,550	-
Depreciation and amortization	109,704	42,763	541,290	293,765	987,522	200,150
Capital outlay	1,482	-	-	-	1,482	-
Operating Expenses	640,156	77,200	1,004,626	1,005,006	2,726,988	200,150
Operating income (loss)	155,880	(30,899)	13,149	(1,253)	136,877	(3,668)
Non-Operating Revenues (Expenses):						
Interest revenue	2,756	172	7,644	4,690	15,262	1,165
Interest expense	(3,083)	-	-	(36,883)	(39,966)	-
Grants and contributions	7,437	-	-	-	7,437	37,202
Gain (loss) on disposal of assets	-	-	-	-	-	30,164
Total Non-Operating Revenues (Expenses)	7,110	172	7,644	(32,193)	(17,267)	68,531
Income (Loss) Before Contributions and Transfers	162,990	(30,727)	20,793	(33,446)	119,610	64,863
Capital contributions	-	-	323,238	78,976	402,214	-
Transfers in	-	-	-	-	-	250,000
Change in Net Position	162,990	(30,727)	344,031	45,530	521,824	314,863
Total Net Position - Beginning	2,268,832	1,570,155	16,351,481	6,155,298	26,345,766	1,245,679
Total Net Position - Ending	2,431,822	1,539,428	16,695,512	6,200,828	26,867,590	1,560,542

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

Town of Granby
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Business-Type Activities				Total	Governmental
	North Service Area Enterprise		South Service Area Enterprise			Internal
	Water Fund	Moraine Park Water Fund	Water Fund	Sewer Fund		Services Fund
Cash Flows From Operating Activities:						
Cash received from customers for services	685,775	45,424	1,015,432	777,515	2,524,146	196,482
Other cash received	96,048	-	2,825	224,811	323,684	-
Cash paid for goods and services	(138,105)	(12,569)	(244,566)	(560,059)	(955,299)	-
Cash paid for employment services	(373,227)	(21,784)	(211,937)	(151,409)	(758,357)	-
Net Cash Provided (Used) by Operating Activities	270,491	11,071	561,754	290,858	1,134,174	196,482
Cash Flows From Non-Capital Financing Activities:						
Grants and contributions	7,435	-	323,241	78,976	409,652	37,202
Transfers	-	-	-	-	-	250,000
Net Cash Provided by Non-Capital Financing Activities	7,435	-	323,241	78,976	409,652	287,202
Cash Flows From Capital Financing Activities:						
Purchase of fixed assets	(80,149)	-	-	-	(80,149)	(380,900)
Interest paid	(3,083)	-	-	(36,881)	(39,964)	-
Principal paid	(16,819)	-	-	(101,117)	(117,936)	-
Net Cash (Used) by Capital Financing Activities	(100,051)	-	-	(137,998)	(238,049)	(345,251)
Cash Flows From Investing Activities:						
Interest received	2,756	174	7,644	4,690	15,264	1,165
Net Cash Provided by Investing Activities	2,756	174	7,644	4,690	15,264	1,165
Net Increase (Decrease) in Cash and Cash Equivalents	180,631	11,245	892,639	236,526	1,321,041	139,598
Cash and Cash Equivalents - Beginning	927,232	62,833	2,400,554	1,527,130	4,917,749	609,510
Cash and Cash Equivalents - Ending	1,107,863	74,078	3,293,193	1,763,656	6,238,790	749,108
Reconciliation of Operating (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating (loss)	155,880	(30,899)	13,149	(1,253)	136,877	(3,668)
Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities:						
Depreciation	109,704	42,763	541,290	293,765	987,522	200,150
(Increase) decrease in accounts receivable	(14,213)	(877)	725	(1,427)	(15,792)	-
Increase (decrease) in accounts payable	3,886	84	5,910	(233)	9,647	-
Increase (decrease) in compensated absences	15,234	-	923	345	16,502	-
Increase (decrease) in deferred revenue	-	-	(243)	-	(243)	-
Increase (decrease) in accrued interest	-	-	-	(339)	(339)	-
Total Adjustments	114,611	41,970	548,605	292,111	997,297	200,150
Net Cash Provided (Used) by Operating Activities	270,491	11,071	561,754	290,858	1,134,174	196,482

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

NOTES TO THE FINANCIAL STATEMENTS



Town of Granby
Notes to the Financial Statements
December 31, 2020

I. Summary of Significant Accounting Policies

The Town of Granby (the "Town"), was founded in 1905 as a Colorado statutory municipality. The Town is centrally located in the middle of Grand County and is minutes from world class skiing, hot springs and Rocky Mountain National Park.

An elected Mayor and Town Board are responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. The Town's major operations include water and sewer operations, road maintenance, police service, culture and recreation, and economic development.

The Town's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the Town are discussed below.

A. Reporting Entity

The reporting entity consists of the primary government and component units. Component units are legally separate entities that are included in a government's reporting entity because of the significance of their operating or financial relationships with the government. The Town has included the following component units:

Grand Elk General Improvement District: On September 25, 2001, the Town authorized the creation of a General Improvement District (the "District") to finance infrastructure improvements within the District's boundaries. The Town's Board sits as *ex officio* as the District's Board. The boundaries of the District are within the Town but costs relating to operations and infrastructure within the District are borne by the District's citizens through a separate District mill levy. The Town's citizenry have no responsibility for the debt relating to the District. The Town's Board, however, acting as the District's Board has operational and financial control of the District.

Granby West General Improvement District: On September 13, 2005, the Town authorized the creation of a General Improvement District (the "District") to finance infrastructure improvements within the District's boundaries. The Town's Board sits as *ex officio* as the District's Board. The boundaries of the District are within the Town but costs relating to operations and infrastructure within the District are borne by the District's citizens through a separate District mill levy. The Town's citizenry have no responsibility for the debt relating to the District. The Town's Board, however, acting as the District's Board has operational and financial control of the District. The name was changed from Shorefox General Improvement District to Granby West General Improvement District during 2012. The District became inactive in July 2016 when the Town purchased 1500 acres from the developer. In 2018 the Town sold 430 acres which are excluded from the District. One small piece is owned by a neighboring ranch, the remainder is owned by the Town and is tax exempt.

Grand Elk Ranch No. 2 General Improvement District: On September 22, 2006, the Town authorized the creation of a General Improvement District (the "District") to finance infrastructure improvements within the District's boundaries. The Town's Board sits as *ex officio* as the District's Board. The boundaries of the District are within the Town but costs relating to operations and infrastructure within the District are borne by the District's citizens through a separate District mill levy. The Town's citizenry have no responsibility for the debt relating to the District. The Town's Board, however, acting as the District's Board has operational and financial control of the District. The District currently has a budget in place for 2021 property and specific ownership taxes. There is one owner, and it remains undeveloped.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Town's public safety, road maintenance, culture and recreation, and administration are classified as governmental activities. The Town's water and sewer utilities are classified as business activities.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts—net investment in capital assets; restricted; and unrestricted.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (public safety, highways and streets, utilities, etc.). The functions are also supported by general government revenues (property and sales taxes, intergovernmental revenue, fines and permits, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (police, roads, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue (property and sales taxes, interest income, etc.).

The government-wide focus is on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

2. Categories and Classification of Fund Balance:

Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note I (B) (3) below.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

3. Fund Balance Disclosure

The Town classifies governmental fund balances as follows:

Unspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is Town Board. The Town's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the Town Board platform to review, and/or make changes to each department's budget. Before year end, a budgetary committee will meet again with each department for final review and approval of preliminary budget. The Budget is then formally presented to Town Board via an advertised public process for their review, revisions and final approval by year end. All subsequent budget requests made during the year, after Town Board approval, must be presented via a public process and again approval by Town Board.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Town Board or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Town uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Town would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Town does not have a formal minimum fund balance policy. However, the Town's budget includes a calculation of a targeted reserve positions and the Administration calculates targets and report them annually to Town Board.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

4. Fund Financial Statements

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The Town reports the following major governmental funds:

General Fund

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

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The Town reports the following major special revenue fund:

The *Grand Elk General Improvement District Operations Fund* accounts for taxes set aside for operation of the District.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The Town reports the following major capital projects fund:

The *Capital Improvement Fund* accounts for revenues set aside for construction of municipal assets. By ordinance, the 12.5% of the total sales and use tax is allocated from the general fund.

The *Grand Elk General Improvement District Capital Projects Fund* was created in 2002 and 2003 G.O. bonding for developing infrastructure in the District.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

4. Fund Financial Statements

Debt Service Funds

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The Town reports the following major debt service fund:

The Grand Elk General Improvement District Debt Service Fund accounts for taxes and system development fees set aside for debt of

The Town reports the following proprietary or business-type funds:

The North Service Area Water Enterprise Fund accounts for the purchase and delivery of water to the citizens of a specific portion of the Town, North of the Fraser River. The Town will also oversee the capital improvements to the system.

The South Service Water Enterprise Fund accounts for the purchase and delivery of water to the citizens of a specific portion of the Town, South of the Fraser River. This fund also provides water to the Granby Silver Creek Water and Sanitation District.

The South Service Sewer Enterprise Fund accounts for the purchase and delivery of water to the citizens of a specific portion of the Town, South of the Fraser River. This fund also bills on behalf of the Granby Sanitation District.

The Moraine Park Water Fund accounts for purchase and delivery of water to the citizens of a specific area outside town limits. In agreement with the State of Colorado, the Town took over operations and will oversee the capital improvements to the system, funded by a principal forgiveness loan.

The Fleet Fund accounts for purchase and disposition of equipment and vehicles that are utilized for governmental activities.

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

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

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

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

3. Financial Statement Presentation

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

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

D. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents are defined as demand deposits and short-term investments with a maturity date within 3 months of the date acquired.

2. Investments

Investments are stated at fair value, net asset value or amortized cost. The change in value of investments is recognized as an increase or decrease to investment assets and investment income. The Town's investment policy permits investments in the following type of obligations:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 18 months)
- Prime Commercial Paper (maximum maturity of 9 months)
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

3. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

4. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental units until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and as deferred inflow of resources.

5. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets (only infrastructure acquired after January 1, 2001), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The Town does not intend to capitalize infrastructure acquired prior to January 1, 2001. The Town defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets constructed in the business-type activities. Infrastructure, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	40
Buildings and improvements	15 - 40
Distribution systems	40
Equipment and vehicles	3 - 7

6. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

6. Deferred Outflows and Inflows of Resources (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has two items that qualify for reporting in this category. Accordingly, these items, unavailable property tax revenue, and unavailable grant revenue, is deferred and recognized as inflows of resources in the period that the amounts become available.

7. Compensated Absences

Earned but unused vacation benefits are accrued when incurred in the government-wide and proprietary fund financial statements. The liability for the amounts is reported in governmental funds.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position

The governmental fund Balance Sheet includes reconciliation between *fund balance – total governmental funds* and *net position of governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that capital assets are recorded as assets when purchased and depreciated over the life of the assets. Net capital assets of \$13,900,963 represents capitalized costs of \$32,001,516 and accumulated depreciation of \$18,100,553.

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance includes reconciliation between *net change in fund balances of governmental funds* and *changes in net position of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that retirement of long-term debt principal outstanding of \$6,372,750 results in a reduction of accumulated resources on the fund financial statements. This represents payments on the Grand Elk General Improvement District bonded debt.

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the proprietary funds. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year end.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

As required by Colorado Statutes, the Town followed the required timetable noted below in preparing, approving, and enacting its budget for 2020.

1. For the 2020 budget year, prior to August 25, 2019 (revised November 30), the County Assessor sent to the Town an assessed valuation of all taxable property within the Town's boundaries.
2. The Town Finance Director submitted to the Board, on or before October 15, 2019, a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the Town's operating requirements.
3. Prior to December 15, 2019, a public hearing was held for the budget, the Board certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget, and the Board adopted the proposed budget and an appropriating resolution that legally appropriated expenditures for the upcoming year.
4. After adoption of the budget resolution, the Town may make the following changes: a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2019 were collected in 2020 and taxes certified in 2020 will be collected in 2021. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th.

During the year the Town approved the following budget amendments.

<u>Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Amendment</u>
General Fund	\$ 5,144,132	\$ 5,744,132	\$ 600,000
Grand Elk GID Operating Fund	169,600	313,008	143,408
Grand Elk GID Debt Svc. Fund	849,047	6,947,359	6,098,312

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved \$241,726, which is the approximate required reserve at December 31, 2020.

On November 6, 2001, the Town's electorate approved the following ballot question: *Provided there is no new tax or no increase in any mill levy or any other tax rate without the subsequent approval of the Town's voters, shall the Town of Granby, Colorado be authorized to collect, retain and spend all revenues and other funds collected in the current year and each subsequent year fiscal year for streets, water, capital improvements, and any other lawful purpose, without further voter approval, notwithstanding the limitations of Article X, Section 20 of the Colorado Constitution, the property tax revenue limitation of Section 29-1-301, Colorado Revised Statutes, or any other law.*

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation. The Grand Elk General Improvement District's electorate also passed a ballot question exempting the District from the provisions of Tabor on November 6, 2001.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds

A. Deposits and Investments

The Town's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the Town's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the Town's demand deposits was \$11,683,082 at year end. Petty cash totaled \$1,200.

Fair Value of Investments

The Town measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At December 31, 2020, the Town had the following recurring value measurements.

<u>Investment Measured at Fair Value</u>	<u>Total</u>	<u>Fair Value Measurement Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money Market	3,554,115	-	3,554,115	-
<u>Investments Measured at Net Asset Value</u>				
Colotrust	\$ 2,673,429			
<u>Investments Measured at Amortized Cost</u>				
C-Safe	\$ 209,776			

Investments classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments

- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

The Investment Pool represents investments in COLOTRUST and C-SAFE. The value of the pool is determined by the pool's share price. The Town has no regulatory oversight for the pool. At December 31, 2020, the Town's investments in COLOTRUST were 42% of the Town's investment portfolio.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the Town diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer and type of issuer. The Town coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years (less in some cases) from the purchase date. As a result of the limited length of maturities the Town has limited its interest rate risk.

Credit Risk. Town investment policy limits investments to those authorized by State statutes. The Town's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

The Town diversifies its investments by security type and institution. Financial institutions holding Town funds must provide the Town a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

The Town had the following cash and investments with the following maturities:

	Standard & Poors Rating	Carrying Amounts	Maturities	
			Less than one year	Less than five years
<i>Petty cash:</i>	Not Rated	\$ 1,200	\$ 1,200	\$ -
<i>Demand Deposits:</i>				
Checking	Not Rated	7,278,045	7,278,045	-
Savings & money market	Not Rated	3,554,115	3,554,115	-
Certificates of deposit	Not Rated	850,922	850,922	-
<i>Investments:</i>				
Cash with fiscal agent	Not Rated	550,044	550,044	-
Investment Pools	AAAm	2,883,205	2,883,205	-
 Total Cash and Investments		<u>\$ 15,117,531</u>	<u>\$ 15,117,531</u>	<u>\$ -</u>
 <i>Reconciliation to Statement of Net Position:</i>				
Cash and investments - Unrestricted		\$ 14,428,487		
Cash and investments - Restricted		689,044		
 Total Cash and Investments		<u>\$ 15,117,531</u>		

Restricted Cash. The Town had restricted cash in the amount of \$689,044 in the Grand Elk GID debt service fund relating to a UMB Bank bond reserve.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

B. Receivables

Receivables as of year-end for the Town's funds, including applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds				Total
	General	Grand Elk GID	Capital Improvement	Other Governmental Funds	
Receivables:					
Taxes	\$ 480,413	\$ 472,936	\$ -	\$ 922	\$ 954,271
Accounts receivable	631,575	114,140	85,786	-	831,501
Accrued interest	265	-	-	-	265
Other receivables	547,307	-	-	-	547,307
Due from other governments	18,879	-	-	-	18,879
Loans receivable	27,141	-	-	-	27,141
Gross receivables	1,705,580	587,076	85,786	922	2,379,364
Less: allowance for uncollectible	-	(35,660)	-	-	(35,660)
Net Receivables	\$ 1,705,580	\$ 551,416	\$ 85,786	\$ 922	\$ 2,343,704

	Enterprise Funds				Total
	North Service Area	South Service Area		Moraine Park Water Fund	
	Water Operations	South Service Water Fund	South Service Sewer Fund		
Receivables:					
Accounts receivable	\$ 120,395	\$ -	\$ 4,799	\$ 888	\$ 126,082
Other receivables	29,904	3,887	-	-	33,791
Gross receivables	150,299	3,887	4,799	888	159,873
Less: allowance for uncollectible	-	-	-	-	-
Net Receivables	\$ 150,299	\$ 3,887	\$ 4,799	\$ 888	\$ 159,873

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. This includes property taxes levied in 2020 but not available until 2021.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 3,790	\$ -	\$ (3,790)	\$ -
Capital assets, being depreciated:				
Land improvements	4,692,405	-	-	4,692,405
Infrastructure	14,734,972	241,719	-	14,976,691
Building & improvements	8,996,959	316,300	-	9,313,259
Furniture, fixtures, and equipment	2,670,003	418,220	(69,062)	3,019,161
Total capital assets being depreciated	<u>31,098,129</u>	<u>976,239</u>	<u>(72,852)</u>	<u>32,001,516</u>
Less accumulated depreciation for:				
Land improvements	(197,796)	(13,591)	-	(211,387)
Infrastructure	(11,209,169)	(668,319)	-	(11,877,488)
Buildings	(3,573,497)	(273,444)	-	(3,846,941)
Furniture, fixtures, and equipment	(2,002,705)	(225,608)	63,576	(2,164,737)
Total accumulated depreciation	<u>(16,983,167)</u>	<u>(1,180,962)</u>	<u>63,576</u>	<u>(18,100,553)</u>
Governmental Activities Capital Assets, Net	<u>\$ 14,114,962</u>	<u>\$ (204,723)</u>	<u>\$ (9,276)</u>	<u>\$ 13,900,963</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land and easements	\$ 9,804	\$ -	\$ -	\$ 9,804
Water rights	920,107	-	-	920,107
Total Capital Assets, Not Depreciated	<u>929,911</u>	<u>-</u>	<u>-</u>	<u>929,911</u>
Capital assets, being depreciated:				
Water system and improvements	24,192,903	-	-	24,192,903
Buildings and improvements	7,523,662	80,149	-	7,603,811
Equipment	807,906	(59,110)	-	748,796
Total Capital Assets Being Depreciated	<u>32,524,471</u>	<u>21,039</u>	<u>-</u>	<u>32,545,510</u>
Less accumulated depreciation for:				
Water system and improvements	(9,379,588)	(912,867)	-	(10,292,455)
Buildings and improvements	(90,228)	(26,208)	-	(116,436)
Equipment	(615,625)	(48,448)	59,110	(604,963)
Total Accumulated Depreciation	<u>(10,085,441)</u>	<u>(987,523)</u>	<u>59,110</u>	<u>(11,013,854)</u>
Business-type activities capital assets, Net	<u>\$ 23,368,941</u>	<u>\$ (966,484)</u>	<u>\$ 59,110</u>	<u>\$ 22,461,567</u>

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

The Town had the following capital outlay and depreciation expense for the following functions:

	Depreciation Expense	Capital Outlay
<i>Governmental activities:</i>		
General government	\$ 114,866	\$ -
Public safety	53,400	-
Streets	804,495	-
Parks and recreation	208,201	-
Capital outlay	-	976,239
Total - Governmental Activities	\$ 1,180,962	\$ 976,239
 <i>Business-type activities:</i>		
Water	\$ 693,758	\$ 21,039
Sewer	293,765	-
Total - Business-type Activities	\$ 987,523	\$ 21,039

D. Interfund Receivables, Payables, and Transfers

Transfers as of December 31, 2020 were as follows:

	In	Out
<i>Governmental Funds:</i>		
General Fund	\$ -	\$ (650,000)
Grand Elk GID	130,697	(130,697)
Other Governmental Funds	400,000	-
<i>Proprietary Funds:</i>		
Fleet Fund	250,000	-
Total	\$ 780,697	\$ (780,697)

The above transfers were made to allocate funds to the fund's particular function.

E. Other Liabilities

1. Accrued Compensated Absences

Earned but unused compensated absence (e.g. paid time off) benefits amounted to \$348,527 at December 31, 2020. All unused benefits are recorded on the individual fund that pays the related payroll.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

E. Other Liabilities

2. Grand Elk Debt

On September 25, 2001, the Town authorized the creation of a General Improvement District ("District") to finance infrastructure improvements within the District's boundaries. The District's electorate has approved the issuance of \$7,750,000 in GID General Obligation Bonds.

a. Limited Tax General Obligation Bonds, Series 2002 and 2007

On December 20, 2002 the District issued \$2,000,000 of Limited Tax General Obligation Bonds, Series 2002. In 2003 the District issued \$5,750,000 of Limited Tax General Obligation Bonds, Series 2003. In 2007 the District refunded all its debt with the issuance of Limited Tax General Obligation Refunding Bonds, Series 2007A. The bond issue totaled \$9,905,000 in bonds maturing in 2028. In 2020 the District refunded the outstanding 2007 issue through the issuance of Limited Tax General Obligation Refunding Bonds, Series 2020.

a. Limited Tax General Obligation Bonds, Series 2020

On October 6th, 2020 the District issued \$5,665,000 of Limited Tax General Obligation Refunding Bonds, Series 2020. The Bonds mature in 2028 and have an option redemption prior to maturity at the option of the District. The 2020 issue includes a reserve requirement of \$550,000. It also requires a \$139,000 supplemental reserve fund until the date upon which the Debt to Assessed Ratio is equal to or less than 35%.

Although the District is within the Town's boundaries, the District's citizens are solely responsible for repayment of the debt through the imposition of a mill levy on all real property within the District and system development fees when the property tax is insufficient to make the bond payments. The District's ability to retire the indebtedness created by the issuance of the bonds is dependent upon significant growth in development within the District and maintenance of an adequate tax base from which the District can collect sufficient tax revenues from the required mill levy. Payments are made from the Grand Elk GID Bond Fund.

3. North Service Area Water Fund Debt

On March 15, 1984 the Town borrowed \$405,000 from the Colorado Water Conservation Board. The note has a forty-year term and accrues interest at 4%. Payments are made from the Water Operations Fund.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

E. Other Liabilities (continued)

6. South Service Sewer Fund Debt

On June 12, 2015, the Town borrowed \$2,500,000 from the Colorado Water Resources and Power Development Authority. The loan has a twenty-year term and accrues interest at 2% annually. In 2016, the loan amount was reduced to \$2,238,098. The loan proceeds will be used to fund phase one of a project that entails replacing sewer lines. The pledged revenues are held in the South Service Sewer Fund. The loan is to be repaid semi-annually with payments being made on May 1st and November 1st commencing May 1st, 2016.

7. Debt Schedule

The following payments are required:

Year	Governmental Debt		
	Principal	Interest	Total
2021	580,000	162,914	742,914
2022	610,000	145,583	755,583
2023	645,000	127,293	772,293
2024	675,000	108,044	783,044
2025	715,000	87,836	802,836
2026 - 2028	2,440,000	127,219	2,567,219
Total	\$ 5,665,000	\$ 758,889	\$ 6,423,889
Grand Elk GID	-	758,889	758,889
Town of Granby	5,665,000	-	5,665,000
Total	\$ 5,665,000	\$ 758,889	\$ 6,423,889

Year	Business - Type Debt		
	Principal	Interest	Total
2021	120,640	38,159	158,799
2022	123,413	35,387	158,800
2023	126,255	32,544	158,799
2024	129,169	29,630	158,799
2025	111,696	26,642	138,338
2025- 2029	593,074	98,618	691,692
2030 - 2034	655,123	36,569	691,692
Total	\$ 1,859,370	\$ 297,549	\$ 2,156,919

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

E. Other Liabilities (continued)

8. Changes in Debt

The Town had the following changes in debt for the year ended December 31, 2020:

	<u>1/1/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2020</u>	<u>Due within one year</u>
Governmental Fund Debt:					
Grand Elk GID Bonds	\$ 6,390,000	\$ -	\$ (6,390,000)	\$ -	\$ -
Grand Elk GID Refunding	-	5,665,000	-	5,665,000	580,000
Issuance discount on					
Grand Elk GID Bonds	(19,289)	-	19,289	-	-
Compensated absences	236,248	34,914	-	271,162	-
Enterprise Debt:					
Compensated absences	60,862	16,503	-	77,365	-
Colorado Water					
Conservation Note	91,090	-	(16,819)	74,271	17,490
CWRPDA Loan	1,886,215	-	(101,116)	1,785,099	103,150
Total	<u>\$ 8,645,126</u>	<u>\$ 5,716,417</u>	<u>\$ (6,488,646)</u>	<u>\$ 7,872,897</u>	<u>\$ 700,640</u>

F. Restricted Fund Balance

The Town had the following restrictions on fund balances at December 31, 2020:

	<u>1/1/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2020</u>
<i>General Fund:</i>				
Emergency reserves	\$ 181,550	\$ 22,715	\$ -	\$ 204,265
<i>Conservation Trust:</i>				
Recreation	39,570	-	(2,888)	36,682
<i>Grand Elk Fund:</i>				
Emergency reserves	28,483	8,957	-	37,440
Debt service	989,147	-	(27,393)	961,754
<i>Grand Elk Ranch No.2</i>				
Emergency reserves	20	1	-	21
<i>Water Fund:</i>				
Water Rights Acquisition	64,000	-	-	64,000
Water Quality Improvement	121,500	-	-	121,500
<i>South Service Water Fund:</i>				
Water Main Replacement	850,880	258,591	-	1,109,471
	<u>\$ 2,275,150</u>	<u>\$ 290,264</u>	<u>\$ (30,281)</u>	<u>\$ 2,535,133</u>

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Committed Fund Balance

The Town had the following committed fund balances at December 31, 2020:

	<u>1/1/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2020</u>
<i>General Fund:</i>				
Housing	\$ 53,899	\$ -	\$ (6,683)	\$ 47,216
SCW Lights	9,439	-	-	9,439
Downtown	40,917	-	(8,412)	32,505
Business Loan	16,114	4,312	-	20,426
Manager	30,000	-	-	30,000
Recreation	124,740	-	-	124,740
Police Surcharge	6,705	-	(736)	5,969
Soccer Dome	40,000	12,155	-	52,155
<i>Capital Improvement Fund:</i>				
Capital reserve	1,785,250	741,315	-	2,526,565
<i>Grand Elk Fund:</i>				
Operations reserve	44,539	-	(8,139)	36,400
Capital reserve	3,154	-	-	3,154
<i>Granby West GID Fund:</i>				
Operations reserve	799	-	-	799
<i>Grand Elk Ranch No. 2 GID Fund:</i>				
Operations reserve	2,596	-	(65)	2,531
	<u>\$ 2,158,152</u>	<u>\$ 757,782</u>	<u>\$ (24,035)</u>	<u>\$ 2,891,899</u>

V. Other Information

A. Retirement Plans Section 401(a) and Section 457

1. Deferred and/or Roth Compensation Plan – Section 457

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years in either a Pre-Tax Deferred Compensation or Roth Deferred Compensation plan. This deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of deferred compensation under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries. The accrual basis of accounting is used for the plan. Revenues are recognized when earned and expenditures are recognized when incurred. Investments are recorded at market value. The Finance Director and Deputy Clerk are the Trustees of the plan. The Trustee of the plan has the duty of due care that would be required of an ordinary prudent investor. Neither the Trustee or the Town has any liability for losses under the plan

All contributions and investment allocations are authorized by the employee.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

V. Other Information (continued)

A. Retirement Plans Section 401(a) and Section 457

2. Retirement Plan - Section 401(a) (continued)

In 1980 the Town established a defined contribution money purchase plan under Code Section 401 of the Internal Revenue code. The Finance Director and Treasurer are plan administrators and have approved, and can amend, the following benefits.

All Town employees, except police officers, receive a five-percent (5%) contribution to the plan, in addition to social security. Police Officers receive a contribution of 11.2% and are required to match 8% to the plan, and they are not subject to social security taxes. Only full-time employees who have been with the Town for six consecutive months are eligible, whereas Police Officers are immediately eligible. The Town's covered payroll for Police Officers and other participating employees for 2020 is \$549,478 and \$1,191,592, respectively. Total contributions to the Plan were \$177,417, which consisted of \$133,458 from the Town and \$43,958 from the employees.

Member contribution are always fully vested. Employer contributions are vested at 20% each year and become fully vested at 5 years or when the member reaches normal retirement age of 59 ½. In 2020 there were no forfeitures and at year end 2020 the Town had employer contributions payable of \$0.

The Town is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

B. Other Employee Benefits

All Town employees may continue their health insurance due to a reduction in work hours or termination of employment. Employees who elect continued coverage must pay the insurance carrier for premiums from the termination date of coverage and monthly thereafter. No cost to the Town is recognized.

C. Risk Management

The Town is exposed to various risks of loss related to workers' compensation, general liability, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and worker unemployment. The Town has acquired commercial coverage for these risks. Any settled claims are not expected to exceed the commercial insurance coverage.

Town of Granby
Notes to the Financial Statements
December 31, 2020
(Continued)

V. Other Information (continued)

D. Revenue Sharing Agreements

The Town has entered into various agreements in order to meet development goals within certain areas of Town. The following areas have continuing development requirements or abatement agreements requiring disclosure.

<u>Entity receiving payment</u>	<u>Tax</u>	<u>Authorization</u>	<u>Abatement Criteria</u>	<u>2020 payment</u>
Headwaters Metro District	Sales & Use Tax	Annexation agreement	If tax exceeds incremental Police Protection then 40% of Tax through April 13, 2023	\$ -
Mountainside	Sales Tax	Annexation agreement	50% of Tax through Oct 28, 2022	\$ 3,098
Sun	Sales & Use Tax	Annexation agreement	50% of Tax beginning upon completion	\$ 176,331

The agreements were authorized by the Town Board after analyzing criteria that includes the ability to encouraging development within the specific area. The Town had no agreements that were prohibited from disclosure. The above list includes all abatement agreements.

E. Transit Intergovernmental Agreement

On October 23, 2018, the Town entered into an intergovernmental agreement with the Town of Winter Park, Colorado for operation of a regional commuter bus route operated by the Winter Park regional transit system. The agreement remains in force for a year and automatically renews for up to 5 additional years, provided neither party gives notes of nonrenewal. The monthly cost of operating the regional bus route is allocated among all jurisdictions on the route, including Granby. The Town will also contribute a 10% administrative fee equal to its proportionate share and receive credit for any eligible grant dollars received by Winter Park for use on the regional route. The agreement is subject to annual appropriation by the Town. The town paid \$70,802 to Winter Park for the year ended December 31, 2020.

F. Building Service Intergovernmental Agreement

On June 3, 2020, the Town entered into an intergovernmental agreement with the Town of Winter Park, Colorado requiring Winter Park to provide building inspection, plan review and building related services. The agreement provides for Winter Park to prepare an annual budget for consideration and approval by the parties. Winter Park is required to maintain all fees and charges by party signatory. The agreement provides for an equitable allocation of actual costs based on each Party's pro rata share of permit revenues. After deducting each party's expenses from generated revenues, Winter park will pay out any excess after the year end audit is complete. The agreement also allows Winter Park to maintain up to a two-year operating reserve. The agreement automatically renews every January 1st unless cancelled. The Town received \$160,704 from Winter Park for the year ended December 31, 2020.

REQUIRED SUPPLEMENTARY INFORMATION



Town of Granby
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	2020			Final Budget Variance Positive (Negative)	2019
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General property taxes	449,234	449,234	449,707	473	354,139
Specific ownership tax	28,500	28,500	33,688	5,188	30,324
Sales & Use	3,853,402	3,853,402	4,679,955	826,553	4,016,512
Franchise tax	144,200	144,200	133,679	(10,521)	132,891
Other taxes	29,988	29,988	26,436	(3,552)	29,262
Total Taxes	<u>4,505,324</u>	<u>4,505,324</u>	<u>5,323,465</u>	<u>818,141</u>	<u>4,563,128</u>
Licenses and Permits:					
Other licenses and permits	169,025	169,025	309,893	140,868	16,318
Intergovernmental Revenue:					
Grant revenue	19,342	19,342	133,704	114,362	21,671
State highway users tax	61,834	61,834	62,038	204	77,391
County road and bridge	8,000	8,000	10,064	2,064	7,884
Other Intergovernmental revenue	-	-	29,331	29,331	-
Total Intergovernmental Revenue	<u>89,176</u>	<u>89,176</u>	<u>235,137</u>	<u>145,961</u>	<u>106,946</u>
Charges for Services:					
Zoning and subdivision fees	2,950	2,950	2,276	(674)	3,070
Recreation revenue	157,500	157,500	114,986	(42,514)	168,339
Mosquito revenue	32,000	32,000	32,000	-	32,000
Other charges for services	16,800	16,800	88,800	72,000	149,248
Rents	41,160	41,160	40,493	(667)	40,049
Total Charges for Services	<u>250,410</u>	<u>250,410</u>	<u>278,555</u>	<u>28,145</u>	<u>392,706</u>
Fines and Forfeitures:					
Traffic fines	70,000	70,000	58,701	(11,299)	72,494
Miscellaneous Revenue:					
Investment income	30,482	30,482	12,406	(18,076)	27,588
Donations and contributions	10,000	10,000	10,490	490	8,771
Other income	29,445	29,445	38,518	9,073	27,309
Total Miscellaneous Revenue	<u>69,927</u>	<u>69,927</u>	<u>61,414</u>	<u>(8,513)</u>	<u>63,668</u>
Total Revenues	<u>5,153,862</u>	<u>5,153,862</u>	<u>6,267,165</u>	<u>1,113,303</u>	<u>5,215,260</u>
Expenditures:					
General Government:					
Legislative	300,025	300,025	279,725	20,300	239,722
Economic development	323,350	323,350	191,399	131,951	228,635
Administrative	923,477	923,477	794,392	129,085	739,202
Planning	177,710	177,710	64,671	113,039	88,791
Municipal court	25,973	25,973	24,572	1,401	21,604
Program project and facility	415,728	415,728	436,276	(20,548)	445,792
Total General Government	<u>2,166,263</u>	<u>2,166,263</u>	<u>1,791,035</u>	<u>375,228</u>	<u>1,763,746</u>
Public Safety:					
Police and public safety	1,316,358	1,316,358	1,314,948	1,410	1,135,507
Streets:					
Streets	794,445	794,445	683,039	111,406	687,728
Parks and Recreation:					
Recreation	468,656	468,656	399,431	69,225	378,463
Parks	328,910	328,910	271,260	57,650	250,180
Total Parks and Recreation	<u>797,566</u>	<u>797,566</u>	<u>670,691</u>	<u>126,875</u>	<u>628,643</u>
Capital Outlay:					
Capital outlay and repairs	19,500	19,500	5,752	13,748	16,609
Total Expenditures	<u>5,094,132</u>	<u>5,094,132</u>	<u>4,465,465</u>	<u>628,667</u>	<u>4,232,233</u>
Excess (Deficiency) of Revenues over Expenditures	59,730	59,730	1,801,700	1,741,970	983,027
Other Financing Sources (Uses):					
Transfer (out)	(50,000)	(650,000)	(650,000)	-	(390,000)
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>(650,000)</u>	<u>(650,000)</u>	<u>-</u>	<u>(390,000)</u>
Net Change in Fund Balance	<u>9,730</u>	<u>(590,270)</u>	1,151,700	<u>1,741,970</u>	593,027
Fund Balance - Beginning			3,635,828		3,042,801
Fund Balance - Ending			<u>4,787,528</u>		<u>3,635,828</u>

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

Town of Granby, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Grand Elk General Improvement District
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	<u>2020</u>			<u>Final Budget Variance Positive (Negative)</u>	<u>2019</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Taxes	458,555	458,555	460,832	2,277	356,116
Charges for services	548,958	553,522	554,472	950	575,184
Investment income	14,570	14,570	9,683	(4,887)	18,136
Miscellaneous	80,000	223,000	223,000	-	-
Total Revenues	<u>1,102,083</u>	<u>1,249,647</u>	<u>1,247,987</u>	<u>(1,660)</u>	<u>949,436</u>
Expenditures:					
General government	179,801	147,184	139,321	7,863	62,589
Streets	23,543	35,127	42,172	(7,045)	19,090
Debt service	815,303	6,947,359	6,758,067	189,292	781,261
Total Expenditures	<u>1,018,647</u>	<u>7,129,670</u>	<u>6,939,560</u>	<u>190,110</u>	<u>862,940</u>
Excess (Deficiency) of Revenues Over Expenditures	83,436	(5,880,023)	(5,691,573)	188,450	86,496
Other Financing Sources (Uses):					
Bond proceeds	-	5,665,000	5,665,000	-	-
Transfers in	-	130,697	130,697	-	-
Transfers (out)	-	(130,697)	(130,697)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>5,665,000</u>	<u>5,665,000</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>83,436</u>	<u>(215,023)</u>	<u>(26,573)</u>	<u>188,450</u>	86,496
Fund Balances - Beginning			<u>1,065,320</u>		<u>978,824</u>
Fund Balances - Ending			<u>1,038,747</u>		<u>1,065,320</u>

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

SUPPLEMENTARY INFORMATION



**Town of Granby, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020**

	Special Revenue			Total Nonmajor Governmental Funds
	Conservation Trust	Granby West GID	Grand Elk Ranch No 2 GID	
Assets:				
Cash and investments - Unrestricted	36,682	799	2,550	40,031
Cash with County Treasurer	-	-	4	4
Receivables, net of allowance for uncollectibles	-	-	924	924
Total Assets	<u>36,682</u>	<u>799</u>	<u>3,478</u>	<u>40,959</u>
Liabilities and Fund Equity:				
Liabilities:				
Deferred Revenue	-	-	925	925
Total Liabilities	<u>-</u>	<u>-</u>	<u>925</u>	<u>925</u>
Fund Balances:				
Spendable:				
Restricted for emergencies	-	-	21	21
Restricted for recreation	36,682	-	-	36,682
Committed	-	799	2,532	3,331
Total Fund Balances	<u>36,682</u>	<u>799</u>	<u>2,553</u>	<u>40,034</u>
Total Liabilities and Fund Balances	<u>36,682</u>	<u>799</u>	<u>3,478</u>	<u>40,959</u>

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

Town of Granby, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	Special Revenue			Total Nonmajor Governmental Funds
	Conservation Trust	Granby West GID	Grand Elk Ranch No 2 GID	
Revenues:				
Taxes	-	-	690	690
Intergovernmental revenue	21,940	-	-	21,940
Investment income	172	-	-	172
Miscellaneous	5,000	-	-	5,000
Total Revenues	<u>27,112</u>	<u>-</u>	<u>690</u>	<u>27,802</u>
Expenditures:				
General government	-	-	751	751
Capital outlay and repairs	30,000	-	-	30,000
Debt service	-	-	-	-
Total Expenditures	<u>30,000</u>	<u>-</u>	<u>751</u>	<u>30,751</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,888)	-	(61)	(2,949)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	(2,888)	-	(61)	(2,949)
Fund Balances - Beginning	39,570	799	2,614	42,983
Fund Balances - Ending	<u>36,682</u>	<u>799</u>	<u>2,553</u>	<u>40,034</u>

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

Town of Granby
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Capital Improvement Fund
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	<u>2020</u>			Final Budget Variance Positive (Negative)	<u>2019</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Taxes:					
Sales and use tax	550,486	550,486	667,362	116,876	573,787
Intergovernmental revenue	369,320	369,320	213,127	(156,193)	-
Donations	-	-	2,500	2,500	10,000
Investment income	5,000	5,000	5,921	921	9,435
Gravel Sales	-	-	-	-	201,760
Miscellaneous income	20,000	20,000	13,956	(6,044)	31,641
	<u>944,806</u>	<u>944,806</u>	<u>902,866</u>	<u>(41,940)</u>	<u>826,623</u>
Total Revenues					
Expenditures:					
Capital Outlay:					
Capital outlay and repairs	1,683,820	1,683,820	561,550	1,122,270	465,573
	<u>1,683,820</u>	<u>1,683,820</u>	<u>561,550</u>	<u>1,122,270</u>	<u>465,573</u>
Total Expenditures					
Excess (Deficiency) of Revenues over Expenditures	(739,014)	(739,014)	341,316	1,080,330	361,050
Other Financing Sources (Uses):					
Transfer In	50,000	400,000	400,000	-	390,000
Total Other Financing Sources (Uses)	50,000	400,000	400,000	-	390,000
	<u>(689,014)</u>	<u>(339,014)</u>	741,316	<u>1,080,330</u>	751,050
Net Change in Fund Balance					
Fund Balance - Beginning			1,785,249		1,034,199
Fund Balance - Ending			<u>2,526,565</u>		<u>1,785,249</u>

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

Town of Granby
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Conservation Trust Fund
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	2020		Final Budget Variance Positive (Negative)	2019
	Original & Final Budget	Actual		Actual
Revenues:				
Intergovernmental revenue:				
State lottery funds	24,000	21,940	(2,060)	23,708
Other Income	5,000	5,000	-	-
Investment income	350	172	(178)	295
	29,350	27,112	(2,238)	24,003
Total Revenues				
Expenditures:				
Capital outlay and repairs	40,000	30,000	10,000	17,265
	40,000	30,000	10,000	17,265
Total Expenditures				
Net Change in Fund Balance	(10,650)	(2,888)	7,762	6,738
Fund Balance - Beginning		39,570		32,832
Fund Balance - Ending		36,682		39,570

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

Town of Granby, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Granby West General Improvement District
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	<u>2020</u>		<u>Final Budget Variance Positive (Negative)</u>	<u>2019</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Taxes:				
Property tax	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
General government:				
Administration	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	-	-	-	-
Fund Balances - Beginning	<u>-</u>	<u>799</u>	<u>799</u>	<u>799</u>
Fund Balances - Ending	<u><u>-</u></u>	<u><u>799</u></u>	<u><u>799</u></u>	<u><u>799</u></u>

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

Town of Granby, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Grand Elk Ranch No. 2 General Improvement District
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	<u>2020</u>		<u>Final Budget</u>	<u>2019</u>
	<u>Original and</u>		<u>Variance</u>	
	<u>Final</u>	<u>Actual</u>	<u>Positive</u>	<u>Actual</u>
	<u>Budget</u>		<u>(Negative)</u>	
Revenues:				
Taxes:				
Property tax	641	642	1	599
Specific ownership tax	40	49	9	52
Total Revenues	<u>681</u>	<u>691</u>	<u>10</u>	<u>651</u>
Expenditures:				
General government:				
Administration	649	720	(71)	61
Treasurer fees	32	32	-	30
Total Expenditures	<u>681</u>	<u>752</u>	<u>(71)</u>	<u>91</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>-</u>	<u>(61)</u>	<u>(61)</u>	<u>560</u>
Excess (Deficiency) of Revenues and Other				
Financing Sources Over Expenditures and				
Other Financing (Uses)	<u>-</u>	<u>(61)</u>	<u>(61)</u>	<u>560</u>
Fund Balances - Beginning	<u>-</u>	<u>2,614</u>	<u>2,614</u>	<u>2,054</u>
Fund Balances - Ending	<u>-</u>	<u>2,553</u>	<u>2,553</u>	<u>2,614</u>

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

Town of Granby, Colorado
Combining Schedule
Grand Elk General Improvement District
For the Year Ended December 31, 2020

	<u>Operations</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:				
Taxes:				
Property tax	83,710	345,212	-	428,922
Specific ownership tax	6,230	25,680	-	31,910
Charges for services	-	554,472	-	554,472
Investment income	70	9,613	-	9,683
Miscellaneous	223,000	-	-	223,000
Total Revenues	<u>313,010</u>	<u>934,977</u>	<u>-</u>	<u>1,247,987</u>
Expenditures:				
General government:				
Administration	120,910	-	-	120,910
Operating expenses	14,225	-	-	14,225
Treasurer and other fees	4,186	-	-	4,186
Streets	42,172	-	-	42,172
Debt service:				
Interest	-	294,803	-	294,803
Principal	-	6,372,750	-	6,372,750
Other	-	31,526	-	31,526
Cost of Issuance	-	58,988	-	58,988
Total Expenditures	<u>181,493</u>	<u>6,758,067</u>	<u>-</u>	<u>6,939,560</u>
Excess (Deficiency) of Revenues Over Expenditures	131,517	(5,823,090)	-	(5,691,573)
Other Financing Sources (Uses):				
Bond proceeds	-	5,665,000	-	5,665,000
Transfers in	-	130,697	-	130,697
Transfers (out)	(130,697)	-	-	(130,697)
Total Other Financing Sources (Uses)	<u>(130,697)</u>	<u>5,795,697</u>	<u>-</u>	<u>5,665,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	820	(27,393)	-	(26,573)
Fund Balances - Beginning	<u>73,021</u>	<u>989,145</u>	<u>3,154</u>	<u>1,065,320</u>
Fund Balances - Ending	<u><u>73,841</u></u>	<u><u>961,752</u></u>	<u><u>3,154</u></u>	<u><u>1,038,747</u></u>

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

Town of Granby
Schedule of Revenues and Expenditures Budget (Non-GAAP Basis)
and Actual With Reconciliation to GAAP Basis
Proprietary Funds
North Service Area Water Fund
(With Comparative Actual Amounts For the Year Ended 2019)

	2020			Final Budget Variance Positive (Negative)	2019
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Utility sales	599,161	599,161	699,988	100,827	618,974
Other revenue	53,300	53,300	96,048	42,748	38,036
Interest revenue	7,000	7,000	2,756	(4,244)	7,453
Grants and contributions	7,887	7,887	7,437	(450)	39,848
Total Revenues	667,348	667,348	806,229	138,881	704,311
Expenditures:					
Salaries and wages	258,955	258,955	251,731	7,224	209,219
Employee benefits	136,880	136,880	136,730	150	92,734
Utilities	43,444	43,444	39,959	3,485	38,368
Repairs and maintenance	64,435	64,435	23,704	40,731	42,814
Insurance	17,500	17,500	18,453	(953)	14,915
Other purchased services	24,290	24,290	17,480	6,810	12,786
Supplies	39,375	39,375	40,913	(1,538)	39,166
Bond principal	16,818	16,818	16,819	(1)	16,170
Interest expense	3,643	3,643	3,083	560	3,751
Capital outlay and repairs	90,000	90,000	22,521	67,479	246,480
Total Expenditures	695,340	695,340	571,393	123,947	716,403
Excess (Deficiency) of Revenues Budget Over Expenditures (Non-GAAP) Basis	(27,992)	(27,992)	234,836	262,828	(12,092)
Reconciliation to GAAP Basis:					
Capitalized assets			21,039		242,163
Depreciation			(109,704)		(99,840)
Loan principal			16,819		16,170
Net (Loss) - GAAP Basis			162,990		146,401

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

Town of Granby
Schedule of Revenues and Expenditures Budget (Non-GAAP Basis)
and Actual With Reconciliation to GAAP Basis
Proprietary Funds
Moraine Park Water Fund
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	2020			Final Budget Variance Positive (Negative)	2019
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Utility sales	46,441	46,441	46,301	(140)	44,017
Interest revenue	300	300	172	(128)	400
Grants and Contributions	-	-	-	-	15,799
Total Revenues	46,741	46,741	46,473	(268)	60,233
Expenditures:					
Salaries and wages	17,200	17,200	14,903	2,297	16,059
Employee benefits	7,411	7,411	6,965	446	6,825
Utilities	5,784	5,784	5,587	197	5,809
Repairs and maintenance	7,000	7,000	279	6,721	2,728
Insurance	2,450	2,450	2,455	(5)	2,318
Other purchased services	3,335	3,335	2,351	984	15,960
Supplies	2,800	2,800	1,897	903	2,433
Total Expenditures	45,980	45,980	34,437	11,543	52,132
Excess (Deficiency) of Revenues Budget Over Expenditures (Non-GAAP) Basis	761	761	12,036	11,275	8,101
Reconciliation to GAAP Basis:					
Depreciation			(42,763)		(42,763)
Net Income (Loss) - GAAP Basis			(30,727)		(34,662)

Town of Granby
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
Proprietary Funds
South Service Water Enterprise Fund
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	<u>2020</u>			Final Budget Variance Positive (Negative)	<u>2019</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Utility sales:					
Town sales	1,001,140	1,001,140	1,014,950	13,810	1,007,303
Other revenue	1,450	1,450	2,825	1,375	5,389
Interest revenue	13,000	13,000	7,644	(5,356)	17,001
Grants and contributions	13,368	13,368	-	(13,368)	-
Plant investment fees			323,238	323,238	207,204
Sale of fixed assets	-	-	-	-	-
Loan proceeds	-	-	-	-	-
Transfer In	-	-	-	-	-
Total Revenues	<u>1,028,958</u>	<u>1,028,958</u>	<u>1,348,657</u>	<u>319,699</u>	<u>1,236,897</u>
Expenditures:					
Salaries and wages	143,163	143,163	140,746	2,417	131,414
Employee benefits	76,801	76,801	72,114	4,687	68,286
Utilities	81,840	81,840	57,103	24,737	54,948
Repairs and maintenance	129,500	129,500	72,692	56,808	63,390
Insurance	30,000	30,000	31,220	(1,220)	29,191
Other purchased services	43,440	43,440	19,851	23,589	26,566
Supplies	250,000	250,000	69,610	180,390	65,748
Capital outlay and repairs	18,000	18,000	-	18,000	90,231
Total Expenditures	<u>772,744</u>	<u>772,744</u>	<u>463,336</u>	<u>309,408</u>	<u>529,774</u>
Excess (Deficiency) of Revenues Budget Over Expenditures (Non-GAAP) Basis	<u>256,214</u>	<u>256,214</u>	885,321	<u>629,107</u>	707,123
Reconciliation to GAAP Basis:					
Capitalized assets			-		90,231
Depreciation			(541,290)		(541,476)
Net Income (Loss) - GAAP Basis			<u>344,031</u>		<u>255,878</u>

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

Town of Granby
Schedule of Revenues and Expenditures Budget (Non-GAAP Basis)
and Actual With Reconciliation to GAAP Basis
Proprietary Funds
South Service Sewer Enterprise Fund
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	<u>2020</u>			Final Budget Variance Positive (Negative)	<u>2019</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Utility sales:					
Town and SCWSD sales	286,552	286,552	288,074	1,522	283,121
Billed on behalf of Granby San. District	486,528	486,528	490,868	4,340	482,178
Other revenue	224,661	224,661	224,811	150	224,936
Interest revenue	10,750	10,750	4,690	(6,060)	11,407
Sewer plant investment fees	3,200	3,200	78,976	75,776	51,200
Total Revenues	<u>1,011,691</u>	<u>1,011,691</u>	<u>1,087,419</u>	<u>75,728</u>	<u>1,052,842</u>
Expenditures:					
Salaries and wages	96,775	96,775	93,122	3,653	96,122
Employee benefits	50,341	50,341	58,287	(7,946)	49,292
Utilities	4,000	4,000	2,988	1,012	2,829
Repairs and maintenance	45,500	45,500	20,811	24,689	19,313
Insurance	15,500	15,500	15,937	(437)	14,645
Other purchased services	36,070	36,070	18,098	17,972	21,068
District's share of utility sales	486,528	486,528	490,868	(4,340)	482,178
Supplies	21,750	21,750	11,130	10,620	14,357
Bond principal	101,117	101,117	101,117	-	99,124
Interest expense	37,221	37,221	36,883	338	38,882
Capital outlay and repairs	-	-	-	-	17,419
Total Expenditures	<u>894,802</u>	<u>894,802</u>	<u>849,241</u>	<u>45,561</u>	<u>855,229</u>
Excess (Deficiency) of Revenues Budget Over Expenditures (Non-GAAP) Basis	<u>116,889</u>	<u>116,889</u>	238,178	<u>121,289</u>	197,613
Reconciliation to GAAP Basis:					
Capitalized assets			-		17,419
Depreciation			(293,765)		(292,828)
Loan principal			101,117		99,124
Net Income (Loss) - GAAP Basis			<u>45,530</u>		<u>21,328</u>

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

Town of Granby
Schedule of Revenues and Expenditures Budget (Non-GAAP Basis)
and Actual With Reconciliation to GAAP Basis
Internal Service Fund
Fleet Fund
For the Year Ended December 31, 2020
(With Comparative Actual Amounts For the Year Ended 2019)

	<u>2020</u>			<u>Final Budget</u>	<u>2019</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Charges for service	196,478	196,478	196,482	4	193,425
Grants	37,202	37,202	37,202	-	-
Gain (loss) on fixed assets	25,250	25,250	30,164	4,914	5,500
Interest	3,550	(3,550)	1,165	4,715	3,970
Transfer in	-	250,000	250,000	-	-
Total Revenues	<u>262,480</u>	<u>505,380</u>	<u>515,013</u>	<u>9,633</u>	<u>202,895</u>
Expenditures:					
Capital Outlay	<u>376,050</u>	<u>376,050</u>	<u>-</u>	<u>(376,050)</u>	<u>-</u>
Total Expenditures	<u>376,050</u>	<u>376,050</u>	<u>-</u>	<u>(376,050)</u>	<u>-</u>
Excess (Deficiency) of Revenues					
Budget Over Expenditures	<u>(113,570)</u>	<u>129,330</u>	<u>515,013</u>	<u>9,633</u>	<u>202,895</u>
(Non-GAAP) Basis					
Reconciliation to GAAP Basis:					
Depreciation			<u>(200,150)</u>		<u>(185,492)</u>
Net Income (Loss) - GAAP Basis			<u>314,863</u>		<u>17,403</u>

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

**ANNUAL SCHEDULE OF REVENUES AND EXPENDITURES
FOR ROADS, BRIDGES AND STREETS**



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

LOCAL HIGHWAY FINANCE REPORT		City or County: Granby
		YEAR ENDING : December 2020
This Information From The Records Of (example - City of _ or County of)		Prepared By: Sharon Spurlin, Finance Director Phone: 970 887-2501

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	276,445
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	306,834
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	789,855
2. General fund appropriations	1,166,855	b. Snow and ice removal	266,063
3. Other local imposts (from page 2)	701,050	c. Other	
4. Miscellaneous local receipts (from page 2)	34,604	d. Total (a. through c.)	1,055,918
5. Transfers from toll facilities		4. General administration & miscellaneous	141,657
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	1,780,854
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,902,509	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	62,038	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	1,964,547	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,780,854

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	464,463	1,964,547	1,780,854	648,156	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2020	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	24,540
1. Sales Taxes	667,362	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	33,688	g. Other Misc. Receipts	10,064
6. Total (1. through 5.)	701,050	h. Other	
c. Total (a. + b.)	701,050	i. Total (a. through h.)	34,604
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	62,038	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		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.)	0	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	62,038	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		276,445	276,445
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)		0	276,445
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		0	276,445
			(Carry forward to page 1)
Notes and Comments:			