TOWN OF JOHNSTOWN, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2020

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FINANCIAL SECTION

JOHN CUTLER
& ASSOCIATES

Honorable Mayor and Members of the Town Council
Town of Johnstown
Johnstown, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Town of Johnstown, Colorado, as of and for the year ended December 31, 2020, which collectively comprise the basic financial statements of the Town, as listed in the table of contents. These financial statements are the responsibility of the Town of Johnstown, Colorado's management. Our responsibility is to express opinions on these financial statements based on our audit.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Town of Johnstown, 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.

600 17th Street Suite 2800 South • Denver, Colorado 80202 • Tel 303.634.2259 • Fax 303.496.463

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 33-37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Johnstown's basic financial statements. The combining and individual fund schedules and State Compliance listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 combining and individual fund schedules are fairly stated in all material respects in relation to the financial statements as a whole.

John Cutler & Associates, LLC

July 8, 202[illegible]

Management's Discussion and Analysis

This section of the annual financial report offers readers of the Town of Johnstown a discussion and analysis of the Town's financial performance during the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information furnished in the Town's financial statements, which immediately follow this section.

Financial Highlights

- Assets and deferred outflow of resources for The Town exceeded liabilities and deferred inflow of resources by $208 million, an increase of $21.1 million, or 11 percent.

- As of December 31, 2020, net position for governmental activities was $139.9 million, up $14.4 million or 11.48 percent from December 31, 2019. Business type activities reported a net position of $68.9 million, up $6.7 million or 10.8 percent in the same time frame.

- General revenues account for $23,589,570 or 52.87 percent of all revenues. The Town had $21,020,525 in program specific revenues in the form of charges for services, operating grants and contributions, and capital contributions

- The Town had $18,705,430 in expenses related to governmental activities, of which $9,651,254 were offset by program specific charges for services and operating grants, contributions. Taxes of $21,355,249 and other general revenues of $2,234,321 and transfers in of $220,000 as shown on the statement of activities, offset the costs.

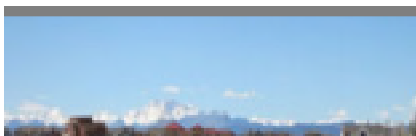
- The Town had water, sewer, and drainage charges for service income totaling $6,406,289. Grants and capital contributions revenues for these funds totaled $4,962,982. The cost of providing water, sewer, and drainage services totaled $4,760,336.

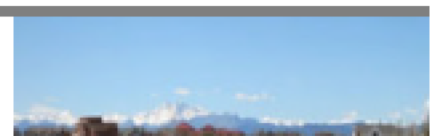
- The Town's unassigned fund balance for the General Fund is $52,668,420, the committed fund balance is $1,422,738, and the restricted fund balance is $875,000. The committed fund balance is intended to fund the operation of the Recreation Center. The unassigned portion of the Town's fund balance is available to meet the Town's reserve requirements and future spending at the Town's discretion.

- Outlays for capital assets were primarily comprised of construction of the recreation center, water acquisition, infrastructure and equipment. See the Capital Assets Section of the Financial Statements for detail.

- The Town's governmental funds only outstanding debt are accrued compensated absences totaling $119,915 at December 31, 2020.

- The Town's business-type funds only outstanding debt are accrued compensated absences totaling $43,252 at December 31, 2020.





Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) specific fund financial statements, and 3) notes to the 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.

There are two government-wide financial statements:

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

Statement of activities – This statement presents information showing how the Town of Johnstown's net position changed during 2020. 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 reported in this statement for some items will result in cash flows in future periods (e.g., uncollected taxes and earned but unused personal time).

The government-wide financial statements reflect three distinct activities:

Governmental Activities – These activities are primarily supported by taxes and intergovernmental revenues. The Governmental Activities of the Town of Johnstown include general government, public safety (police), public works, community development, cemetery, and recreation.

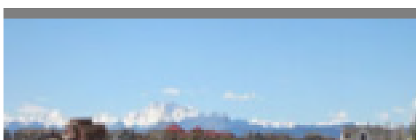
Business-type Activities – These activities are supported by user fees and service charges which are intended to recover all of their costs. The Business-type Activities of the Town of Johnstown include Water, Waste Water, and Drainage. Governmental activities and business-type activities combined comprise the primary government.

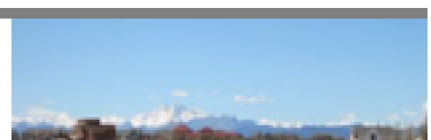
Component Units – The Town currently does not have any organizations that are legally separate and are reported separately from the primary government.

Governmental activities and business-type activities combine to comprise the primary government. The government wide financial statements begin on page 1 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. Some funds are required to be established by State law and bond covenants; however, the Town Board establishes other funds to help control and manage money for particular purposes. All of the Town's funds can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.





Governmental Funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *short-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 short-term financing requirements. The accounting method used is *modified accrual* accounting.

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 activities in the *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 short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and other major funds. The minor funds are combined in the *Other Governmental Funds* into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Governmental fund financial statements begin on page 3 of this report.

Proprietary Funds – The Town of Johnstown maintains one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses an enterprise fund to account for its Water, Waste Water, and Drainage Funds. These funds are considered major funds of the Town of Johnstown.

Proprietary fund statements begin on page 6 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Town and fund financial statements. The notes can be found on pages 9 to 32 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information. This includes the required supplemental data required for non-major fund information and budgetary comparison schedules. The budgetary comparisons are included on pages 33 to 47 of this report.

Financial Analysis of the Town as a Whole

As noted previously, net position may serve over time as a useful indicator of the Town's financial position. For the year ending December 31, 2020, the Town's combined assets exceeded liabilities and deferred inflows of resources by $208,955,602.

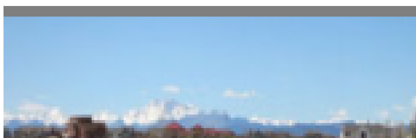
TOWN OF JOHNSTOWN, COLORADO
CONDENSED STATEMENT OF NET POSITION
2020/2019

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Assets						
Current Assets	102,099,363	102,685,271	22,715,460	34,853,350	124,914,823	137,538,621
Capital Assets - Net	36,987,207	48,256,815	30,798,988	35,188,726	67,786,195	83,445,541
Total Assets	139,086,570	150,942,086	53,514,448	70,042,076	192,701,018	220,984,162
Deferred Outflow of Resources						
Related to Pensions	429,523	367,323	-	-	429,523	367,323
Liabilities						
Current Liabilities	4,085,454	2,826,876	1,335,359	1,059,491	5,420,813	3,886,367
Long-Term Liabilities	178,109	149,915	26,710	13,252	204,819	163,167
Total Liabilities	4,263,563	2,976,791	1,362,069	1,072,743	5,625,632	4,049,534
Deferred Inflows of Resources						
Related to Pensions	6,009	97,747	-	-	6,009	97,747
Deferred Property Tax Revenue	9,587,597	8,255,602	-	-	9,587,597	8,255,602
Net Position						
Net Investment in Capital Assets	36,987,207	48,256,815	30,798,988	35,188,726	67,786,195	83,445,541
Restricted	745,000	875,000	-	-	745,000	875,000
Unrestricted	87,826,717	90,847,454	21,453,361	33,787,607	109,280,078	124,635,061
Total Net Position at December 31	125,558,924	139,979,269	52,252,349	68,976,333	177,811,273	208,955,602
Total Increase in Net Position						31,144,329
Percent Increase in Net Position						17.52%

A portion of the Town of Johnstown's net position (39.9%) reflects its invesment in capital assets (e.g., land, buildings, etc.), less any related debt still outstanding (current and long-term), that was used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of net position (.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position ($124,635,061) is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

The Town reports positive balances in all three categories of net position, for the government as a whole, as well as for its separate Governmental and Business-type Activities.

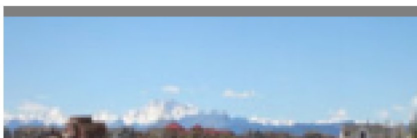


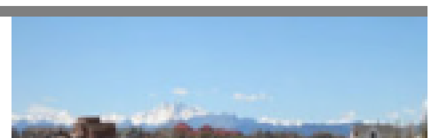
TOWN OF JOHNSTOWN, COLORADO
CONDENSED STATEMENT OF ACTIVITIES
2020/2019

Revenues	Governmental Activities		Business-Type Activities		Total	
Program Revenues	2019	2020	2019	2020	2019	2020
Charges for Services	3,446,475	5,852,528	5,805,722	6,406,289	9,252,197	12,258,817
Operating Grants and Contributions	535,493	1,374,493	-	-	535,493	1,374,493
Capital Grants and Contributions	865,089	2,424,233	8,376,179	4,962,982	9,241,268	7,387,215
General Revenues						
Property Taxes	6,832,671	8,896,180	-	-	6,832,671	8,896,180
Sales and Use Taxes	8,567,197	11,452,899	-	-	8,567,197	11,452,899
Franchise Taxes	[illegible]	499,702	-	-	[illegible]	499,702
Other Taxes	616,317	306,468	-	-	616,317	306,468
Interest	1,755,082	736,323	855,379	335,049	2,610,461	1,071,372
Other Revenues	1,343,107	1,162,949	-	-	1,343,107	1,162,949
Loss on Disposal of Assets	-	-	-	-	0	0
Total Revenues	24,747,038	32,705,775	15,036,280	11,704,320	39,783,318	44,610,095
Expenses						
General Government	1,738,101	3,259,268	-	-	1,738,101	3,259,268
Public Safety	2,571,428	3,361,350	-	-	2,571,428	3,361,350
Public Works	3,930,608	9,053,329	-	-	3,930,608	9,053,329
Health and Welfare	71,959	-	-	-	71,959	0
Culture and Recreation	2,565,348	2,331,483	-	-	2,565,348	2,331,483
Interest on Long-Term Debt	-	-	-	-	0	0
Water	-	-	8,294,187	2,848,798	8,294,187	2,848,798
Sewer	-	-	4,685,053	1,570,001	4,685,053	1,570,001
Drainage	-	-	216,761	311,537	216,761	311,537
Interest on Long-Term Debt	-	-	-	-		
Total Expenses	10,878,[illegible]	18,005,430	13,196,001	4,730,336	24,07[illegible],648	22,735,766
Excess (deficiency) before transfers						
Transfers	(105,000)	220,000	105,000	(220,000)	0	0
Prior Period Adjustment	-	-	4,896,000		4,896,000	0
					0	
Change in Net Position	13,763,391	14,420,345	1,945,276	6,723,984	15,708,670	21,144,329
NET POSITION, Beginning	111,795,530	125,558,924	55,411,073	62,252,349	167,206,603	187,511,273
NET POSITION, Ending	125,558,921	139,979,269	62,252,349	68,976,333	187,511,273	208,955,602

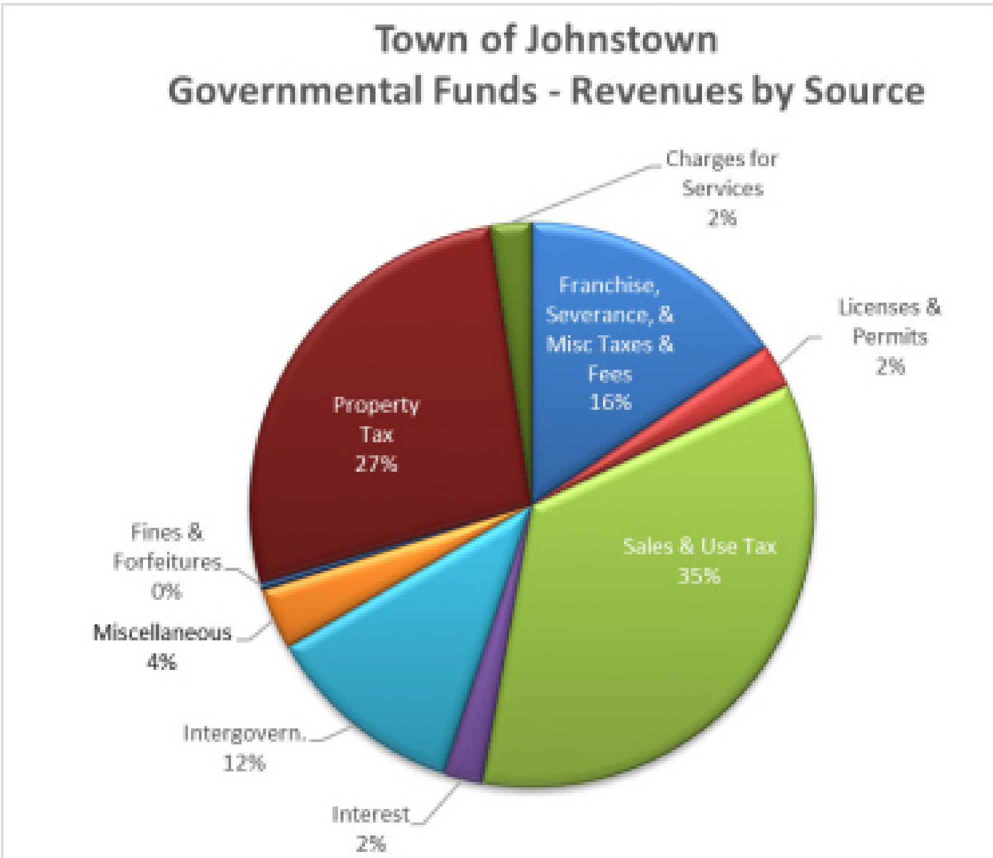
Financial Analysis of the Town's Funds

Governmental Activities. The focus of the Town of Johnstown'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 2020, the governmental funds for the Town were restructured to better reflect the functions and purposes of the fund and to allow users to better assess the accountability of the Town moving forward.





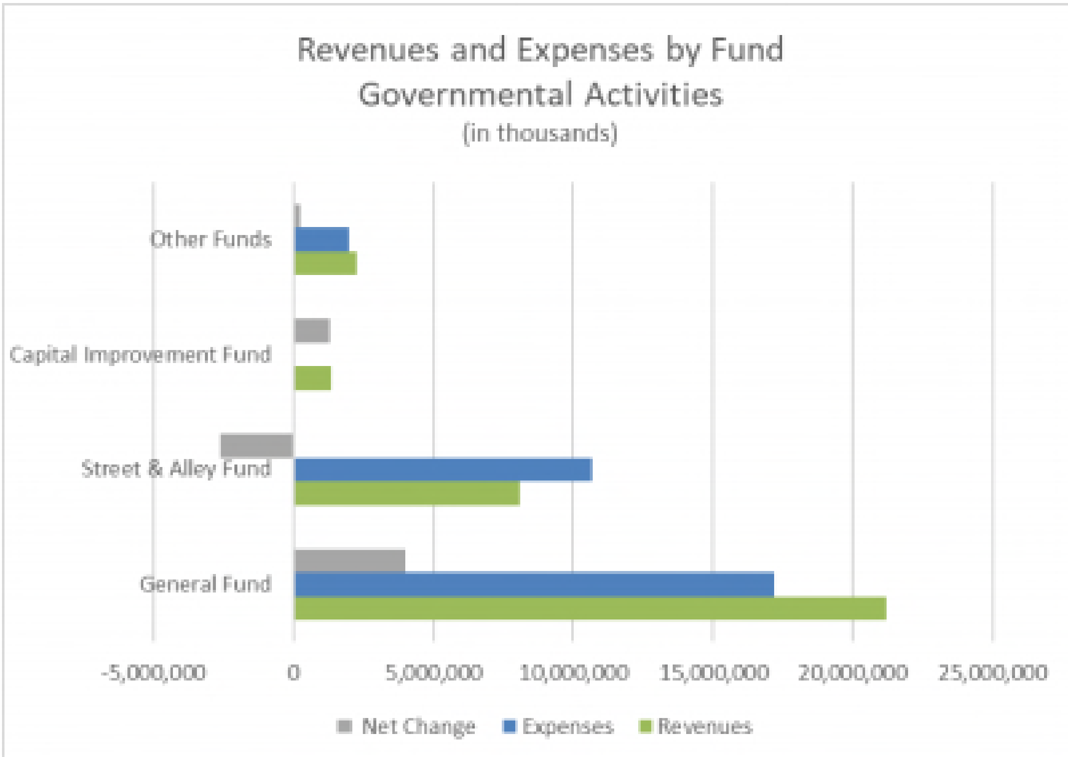
As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of $91,517,556, an increase of $3,191,244. Overall revenue increased $8.1 million or 32.9 percent. Areas of substantial revenue increase included taxes and fees $8,972,299, and intergovernmental $2,094,144. The General Fund revenue increases, are primarily the result of an economy that continued to grow, despite the COVID 19 pandemic, and the resulting sales tax collections. Additionally, in July 2020, a .5% sales tax increase went into effect to be used for street and sidewalk maintenance, and transportation related projects.



Expenditures for the governmental funds for the current year decreased $1,994,236 or 6.24%. Expenses for the General Fund decreased as capital outlay decreased $12,613,985 as the construction of the new Recreation Center was completed early in 2020, and the Street and Alley Fund was broken out of the General Fund where the associated costs had been accounted for in previous years. In 2020, the Street and Alley Fund recognized capital expenditures of $8,681,760 for I-25 improvements and for improvements to WCR 50. Notable increases in expenditures were recognized in the General Fund for General Government as the result of grant funding that the Town offered to small businesses to help provide financial support during the COVID pandemic.

The statement of net position reports a combined net position for governmental activities of $139,979,269, an increase of $14,420,345. The increase is primarily attributed to an increase in capital assets, cash, and receivables.

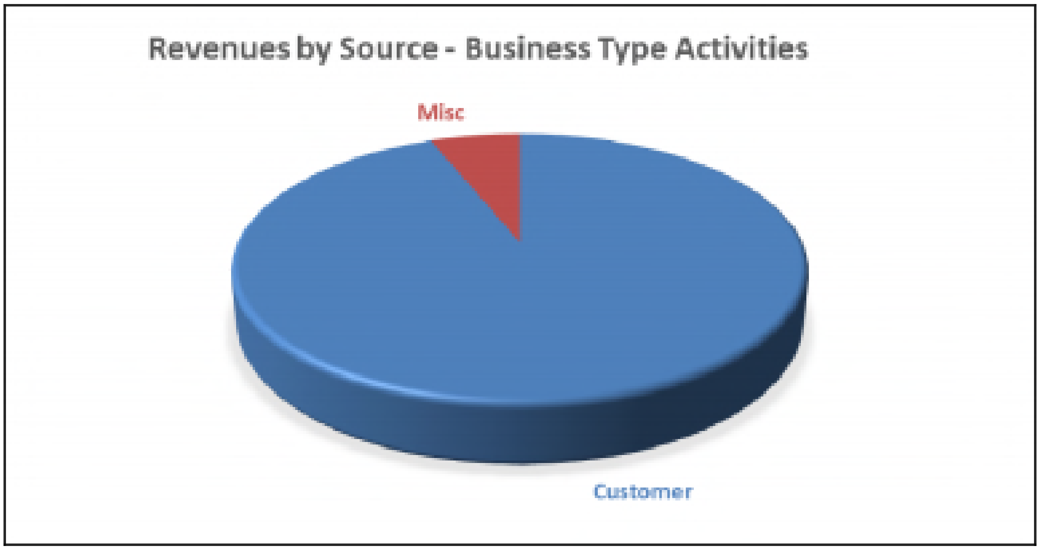
The graph below provides the program revenue and expenses (excluding transfers) for each governmental activity as well as providing net change.



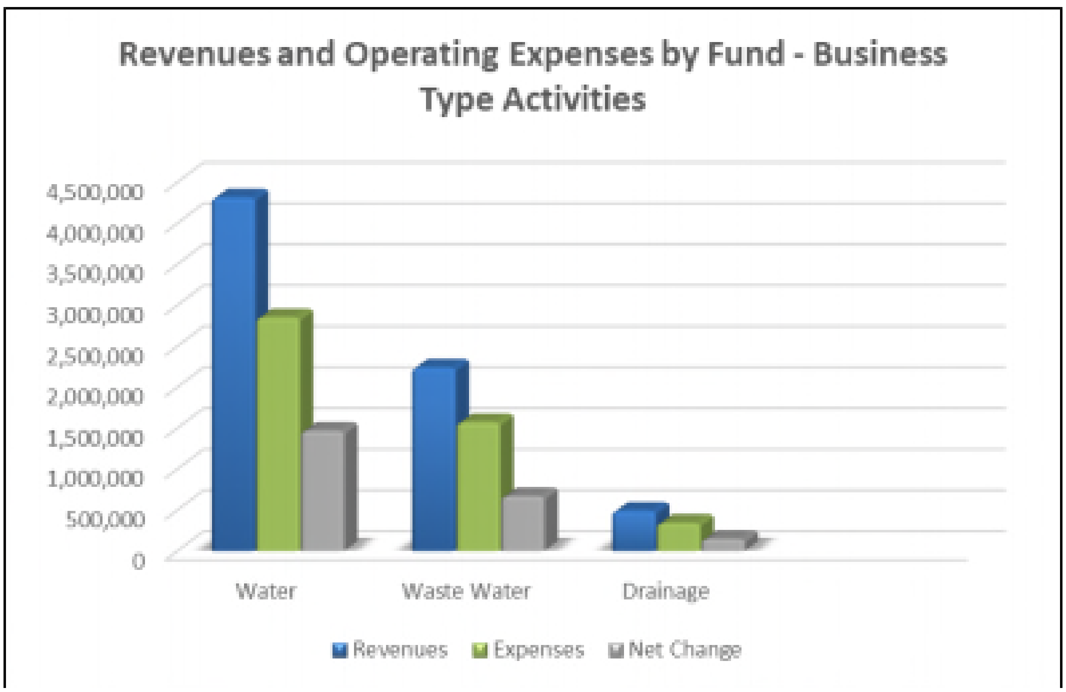
Business-type Activities. Net position of business-type activities increased by $6.72 million primarily due to an increase in capital assets in all business type funds. The Water Fund increased $4,983,516, the Waste Water Fund increased $1,290,565 and the Drainage Fund increased $449,903. This net position is dedicated solely to finance the continuing operations of the water, waste water, and drainage operations.

Revenues for the Town's business-type activities, were $6,406,289, a 10.3 percent increase compared to the previous year. The increase in revenues is largely attributed to an increase in water sales. Charges for services for business-type activities increased $674,133, and miscellaneous operating revenues decreased 73,266. The decrease in miscellaneous revenues is directly attributed to the COVID 19 pandemic. Total operating revenues increased $600,567. Operating expenses decreased $8,435,668 across all funds. Water operation costs decreased $5,445,389 in 2020 primarily due to a 2019 expenditure of $5,854,826 for water share purchases. Waste water operations decreased $3,115,052 due to a one-time increase in costs in 2019 that was attributed to $3,145,174 sewer shares. Drainage Fund operating expenses increased $124,773.

As you can see from the following graph, the highest source of revenue for business-type activities is customer charges.



The following graph provides program revenue and expenses (excluding transfers and capital contributions) for each of the Business-Type activities operated by the Town.



General Fund Budgetary Highlights

The General Fund is the chief operating fund of the Town. It accounts for all of the general services provided by the Town. In 2020, total fund balance increased $101,479. The unassigned fund balance of the General Fund at the end of 2020, totaled $52,668,420 while the total fund balance totaled $54,966,158. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to General Fund expenditures. For 2020, unassigned fund balance represents approximately 3.06 times the total General Fund Expenditures, while total fund balance represents 3.19 times that same amount. It is important to note that the General Fund expenditures in 2020 were abnormally high due to capital outlay for the completion of the new Recreation Center and COVID 19 grant funding for small businesses.

The Town budgeted for General Fund expenditures of $21,125,510 for the year ended December 31, 2020 and actual expenditures were $17,183,700. Expenditures were $3,941,810 million less than budgeted as a result of capital projects that were not completed for less than what was anticipated. Revenues, excluding transfers, for 2020 were budgeted at $14,149,580 and actual revenues were $21,195,540. Revenues from sales taxes, use taxes, permitting for new construction, and grants were much stronger than anticipated.

Capital Assets and Debt Administration

Capital Assets

By the end of 2020, the Town had invested $83,445,541 net of accumulated depreciation, in a broad range of capital assets, including land, buildings, site improvements, infrastructure, vehicles and other equipment. This amount represents a net increase of $15,659,346 or 23.1 percent increase from last year. Additional information on the Town's capital assets can be found in Note 4 of the financial statements. Total accumulated depreciation expense was $7,358,985 in the governmental activities and $9,919,868 in the business-type activities. There have been no significant changes in the condition level of the capital assets of the Town.

Long-Term Debt

The Town's governmental funds have accrued compensated absences totaling $119,915 at December 31, 2020.

The Town's business-type funds have accrued compensated absences totaling $43,252 at December 31, 2020.

Additional information on the Town's long-term debt can be found in Note 5 on page 22 of this report.

Fiduciary Fund Activities

Cemetery Perpetual Fund

The fund received $10,299 in lot sales and investment revenues and recognized no expenditures. The fund balance at December 31, 2020, is $144,554.

Economic Factors and Next Year's Budgets and Rates

The annual budget ensures the efficient and effective uses of Town funds, as well as highlights the priority objectives. Direction for the upcoming year is established by the Council when the budget is adopted, funds are appropriated and resources are allocated.

The following factors were taken into account when adopting the budget for 2021:

- The Town has forecast most revenues as relatively steady from 2020 through 2021. Revenues from property taxes are expected to decrease largely as a result of decreased oil and gas production in the area. Revenues from sales taxes are projected to increase as a result of consistent residential and commercial growth.

- The Town has conservatively forecast new growth and the mill levy for property tax revenues has been set at 22.147.

- Expenditures in the General Fund are expected to be $8,515,553. Capital projects planned for 2021 include upgrades in AV equipment, sign replacement, new police vehicles, parking lot sealing, roof repairs and carpet replacement at the police department, and HVAC system updates.

- The Town's business-type activities are expected to have revenues that increase in 2021. A thorough review of the Town's business-type activity funds led to several changes that went into effect as of January 1, 2021 to ensure going concern. Customer classes were updated and restructured, the rate tiers were updated and restructured, and water and waste water rates were increased.

Contacting the Town's Financial Management

This financial report is designed to provide the Town's citizens, taxpayers, investors, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Town of Johnstown Finance Department
450 S. Parish
Johnstown, Colorado 80534
(970) 587-4664

BASIC FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF NET POSITION
As of December 31, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTALS 2020	TOTALS 2019
ASSETS				
Cash and Investments	$ 90,603,048	$ 33,718,634	$ 124,321,682	$ 122,464,790
Restricted Cash and Investments	376,599		376,599	553,358
Receivables				
Property Taxes	8,255,602	-	8,255,602	9,687,597
Sales and Other	3,394,785	298,500	3,693,285	1,774,865
Accounts		843,216	843,216	434,213
Net Pension Asset	55,237		55,237	
Capital Assets, Not Depreciated	1,889,533	21,192,457	23,081,990	41,563,901
Capital Assets, Depreciated				
Net of Accumulated Depreciation	46,367,282	13,996,269	60,363,551	26,422,294
TOTAL ASSETS	150,942,086	70,049,076	220,991,162	202,901,018
DEFERRED OUTFLOWS OF RESOURCES				
Related to Pensions	367,323	-	367,323	429,523
LIABILITIES				
Accounts Payable	986,413	883,374	1,869,787	3,320,524
Retainage Payable	-	-	-	1,071,930
Accrued Salaries and Benefits	184,027	33,655	217,682	67,378
Developer Escrow	1,686,436		1,686,436	870,610
Deposits		112,462	112,462	90,341
Noncurrent Liabilities				
Accrued Compensated Absences	119,915	43,252	163,167	84,491
Net Pension Liability	-	-	-	120,358
TOTAL LIABILITIES	2,976,791	1,072,743	4,049,534	5,625,652
DEFERRED INFLOWS OF RESOURCES				
Related to Pensions	97,747	-	97,747	6,009
Deferred Property Tax Revenue	8,255,602		8,255,602	9,687,597
TOTAL DEFERRED INFLOWS OF RESOURCES	8,353,349	-	8,353,349	9,693,606
NET POSITION				
Net Investment in Capital Assets	48,256,815	35,188,726	83,445,541	67,786,195
Restricted for Emergencies	875,000		875,000	745,000
Unrestricted	90,847,454	33,787,607	124,635,061	119,280,078
TOTAL NET POSITION	$ 139,979,269	$ 68,976,333	$ 208,955,602	$ 187,811,273

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

STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

		PROGRAM REVENUES		
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 3,959,268	$ 1,563,326	$ 547,322	$ 386,508
Public Safety	3,361,350	505,710	-	-
Public Works	9,053,329	2,798,669	-	1,686,464
Health and Welfare				
Culture and Recreation	2,331,483	984,823	827,171	351,261
Total Governmental Activities	18,705,430	5,852,528	1,374,493	2,424,233
Business-Type Activities				
Water	2,848,798	3,799,641		3,917,683
Wastewater	1,570,001	2,146,843	-	723,350
Drainage	341,537	459,805	-	321,949
Total Business-Type Activities	4,760,336	6,406,289		4,962,982
Total Primary Government	$ 23,465,766	$ 12,258,817	$ 1,374,493	$ 7,387,215

GENERAL REVENUES
- Sales Taxes
- Property Taxes
- Franchise Taxes
- Other Taxes
- Interest
- Other

TRANSFERS

TOTAL GENERAL REVENUES AND TRANSFERS

CHANGE IN NET POSITION

Prior Period Adjustment

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTALS 2020	TOTALS 2019
$ (1,462,112)	$ -	$ (1,462,112)	$ (377,635)
(2,855,640)	-	(2,855,640)	(2,357,303)
(4,568,196)	-	(4,568,196)	(1,327,574)
			(71,959)
(168,228)		(168,228)	(1,593,116)
(9,054,176)	-	(9,054,176)	(5,727,587)
	4,868,526	4,868,526	2,186,782
-	1,300,192	1,300,192	(1,430,711)
-	440,217	440,217	228,826
	6,608,935	6,608,935	984,897
(9,054,176)	6,608,935	(2,445,241)	(4,742,690)
11,452,899	-	11,452,899	8,567,197
8,896,180	-	8,896,180	6,832,671
499,702		499,702	481,407
506,468		506,468	616,511
736,323	335,049	1,071,372	2,610,151
1,162,949	-	1,162,949	1,343,107
220,000	(220,000)	-	-
23,474,521	115,049	23,589,570	20,451,350
14,420,345	6,723,984	21,144,329	15,708,670
			4,896,000
125,558,924	62,252,349	187,811,273	167,206,603
$ 139,979,269	$ 68,976,333	$ 208,955,602	$ 187,811,273

TOWN OF JOHNSTOWN, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2020

	GENERAL FUND	STREET AND ALLEY FUND	CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	$ 55,010,797	$ 9,081,884	$ 13,955,751	$ 12,554,616
Restricted Cash and Investments	358,440			8,159
Taxes Receivable	6,256,602	-	-	-
Accounts Receivable	2,238,743	906,944	78	249,020
Due From Other Funds				
TOTAL ASSETS	$ 63,864,582	$ 9,988,828	$ 13,955,829	$ 12,811,795
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY				
LIABILITIES				
Accounts Payable	$ 805,142	$ 111,385	$ 26,871	$ 43,015
Retainage Payable				
Accrued Liabilities	160,244	9,906	-	13,877
Developer Escrows and Deposits	1,686,436			
Due to Other Funds				
TOTAL LIABILITIES	2,651,822	121,291	26,871	56,892
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	6,256,602	-	-	-
FUND EQUITY				
Fund Balance				
Restricted for Emergencies	875,000	-	-	-
Restricted for Culture and Recreation				5,315,976
Restricted for Parks & Recreation				7,294,673
Restricted for Capital Improvements	-	9,867,537	13,928,958	-
Restricted for Cemetery Maintenance	-	-	-	144,254
Committed to I-25 Interchange Improvements				
Committed for Capital Improvements				
Committed for Contingencies	-	-	-	-
Committed for Equipment Replacement	-	-	-	-
Committed for Recreation Center	1,422,738			
Unassigned	52,658,420			
TOTAL FUND EQUITY	54,956,158	9,867,537	13,928,958	12,754,903
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	$ 63,864,582	$ 9,988,828	$ 13,955,829	$ 12,811,795

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

Long-term liabilities and related assets are not due and payable in the current period and are not reported in the fund. These include Accrued Compensated Absences ($119,915), Net Pension Asset $55,237, Deferred Outflows Related to Pensions $367,523, and Deferred Inflows Related to Pensions of ($97,747).

Net position of governmental activities

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

TOTAL GOVERNMENTAL FUNDS	
2020	2019
$ 90,603,048	$ 90,104,676
576,599	553,358
8,255,602	9,687,597
3,194,785	1,774,865
	7,532
$ 102,630,034	$ 102,128,028
$ 986,413	$ 2,085,264
	1,071,930
184,027	57,950
1,686,436	870,610
	28,365
2,856,876	4,114,119
8,255,602	9,687,597
875,000	745,000
5,315,976	3,781,392
7,294,373	1,951,968
23,796,495	32,892,544
144,554	133,139
	6,000,000
	321,090
-	2,235,008
-	4,491,746
1,422,738	10,536,360
52,668,420	25,547,765
91,517,556	88,326,312
48,256,815	36,987,207
204,898	245,405
$ 139,979,269	$ 125,558,924

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2020

	GENERAL FUND	STREET AND ALLEY FUND	CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS
REVENUES				
Taxes and Fees	$ 18,176,264	$ 5,184,694	$ 1,156,521	$ 932,612
Licenses and Permits	806,904			
Intergovernmental	933,830	1,686,464	-	1,178,432
Charges for Services	12,624	717,070	-	52,211
Fines and Forfeitures	148,877			
Interest Income	397,304	74,466	186,094	78,459
Miscellaneous	719,737	427,167		16,045
TOTAL REVENUES	21,195,540	8,089,861	1,342,615	2,257,759
EXPENDITURES				
General Government	3,277,859	-	-	-
Public Safety	3,193,597			
Public Works	1,259,106	2,002,521	8,355	
Health and Welfare				
Culture and Recreation	441,756	-	-	1,797,518
Capital Outlay	9,011,382	8,681,760	30,201	210,476
TOTAL EXPENDITURES	17,183,700	10,684,281	38,556	2,007,994
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,011,840	(2,594,420)	1,304,059	249,765
OTHER FINANCING SOURCES (USES)				
Transfers In	59,895	2,698,869		1,970,620
Transfers Out	(3,970,256)	-	(59,895)	(479,233)
TOTAL OTHER FINANCING SOURCES (USES)	(3,910,361)	2,698,869	(59,895)	1,491,387
NET CHANGE IN FUND BALANCES	101,479	104,449	1,244,164	1,741,152
FUND BALANCES, Beginning	54,864,679	9,763,088	12,684,794	11,013,751
FUND BALANCES, Ending	$ 54,966,158	$ 9,867,537	$ 13,928,958	$ 12,754,903

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

TOTAL GOVERNMENTAL FUNDS	
2020	2019
$ 25,470,091	$ 16,497,792
806,904	2,091,157
3,798,726	1,704,582
781,905	1,141,193
148,677	217,125
736,323	1,735,082
1,162,949	1,343,107
32,905,775	24,747,038
3,277,859	1,541,310
3,193,597	2,435,397
3,269,982	3,541,766
	71,959
2,239,274	2,547,085
17,955,819	21,791,050
29,934,531	31,928,767
2,971,244	(7,181,729)
4,729,384	11,180,554
(4,509,384)	(11,285,554)
220,000	(105,000)
3,191,244	(7,286,729)
88,326,312	95,613,041
$ 91,517,556	$ 88,326,312

TOWN OF JOHNSTOWN, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	$ 3,191,244
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay $12,393,460 exceeded depreciation expense ($1,123,852), in the current year.	11,269,608
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This includes the change in accrued compensated absences.	(62,164)
Deferred Charges related to pensions are not recognized in the governmental funds. However, for the government-wide funds that amount is capitalized and amortized.	21,657
Change in Net Position of Governmental Activities	$ 14,420,345

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

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE
As of December 31, 2020

ASSETS	WATER FUND	WASTE WATER FUND	DRAINAGE FUND	TOTALS 2020	TOTALS 2019
Current Assets					
Cash and Investments	$ 20,980,002	$ 9,308,121	$ 3,430,511	$ 33,718,634	$ 32,360,114
Accounts Receivable, net	536,191	240,782	66,243	843,216	434,213
Grants Receivable	298,500	-	-	298,500	-
Due from Other Funds	-	-	-	-	21,133
Total Current Assets	21,814,693	9,548,903	3,496,754	34,860,350	32,815,460
Noncurrent Assets					
Capital Assets, net of Accumulated Depreciation	27,586,635	7,058,983	543,108	35,188,726	30,798,988
TOTAL ASSETS	49,401,328	16,607,886	4,039,862	70,049,076	63,614,448
LIABILITIES					
Current Liabilities					
Accounts Payable	628,641	251,616	3,117	883,374	1,235,260
Accrued Expenses	14,147	12,800	6,708	33,655	9,728
Accrued Compensated Absences	17,720	16,154	9,378	43,252	26,740
Total Current Liabilities	660,508	280,570	19,203	960,281	1,271,728
Noncurrent Liabilities					
Deposits	105,900	6,562		112,462	90,371
Total Noncurrent Liabilities	105,900	6,562	-	112,462	90,371
TOTAL LIABILITIES	766,408	287,132	19,203	1,072,743	1,362,099
NET POSITION					
Net Investment in Capital Assets	27,586,635	7,058,983	543,108	35,188,726	30,798,988
Unrestricted	21,048,285	9,261,771	3,477,551	33,787,607	31,453,361
TOTAL NET POSITION	$ 48,634,920	$ 16,320,754	$ 4,020,659	$ 68,976,333	$ 62,252,349

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

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
Year Ended December 31, 2020

	WATER FUND	WASTE WATER FUND	DRAINAGE FUND	TOTALS 2020	TOTALS 2019
OPERATING REVENUES					
Charges for Services	$ 3,427,297	$ 2,130,323	$ 459,460	$ 6,017,080	$ 5,342,947
Miscellaneous	372,344	16,520	345	389,209	462,775
TOTAL OPERATING REVENUES	3,799,641	2,146,843	459,805	6,406,289	5,805,722
OPERATING EXPENSES					
Administration	194,215	180,118	114,270	488,603	6,552,939
Operations	2,298,152	1,157,853	221,514	3,677,519	6,072,584
Depreciation	356,431	232,030	5,753	594,214	570,481
TOTAL OPERATING EXPENSES	2,848,798	1,570,001	341,537	4,760,336	13,196,004
OPERATING INCOME	950,843	576,842	118,268	1,645,953	(7,390,282)
NON OPERATING REVENUES (EXPENSES)					
Interest Income	214,990	90,373	29,686	335,049	855,379
Grant Income	298,500	-	-	298,500	-
TOTAL NON OPERATING REVENUES (EXPENSES)	513,490	90,373	29,686	633,549	855,379
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,464,333	667,215	147,954	2,279,502	(6,534,903)
Capital Contributions	3,619,183	723,350	321,949	4,664,482	8,375,179
Transfers In					105,000
Transfers Out	(100,000)	(100,000)	(20,000)	(220,000)	-
NET INCOME	4,983,516	1,290,565	449,903	6,723,984	1,945,276
NET POSITION, Beginning	43,651,404	15,030,189	3,570,756	62,252,349	55,411,073
Prior Period Adjustment	-	-	-	-	4,896,000
NET POSITION, Beginning, as restated	43,651,404	15,030,189	3,570,756	62,252,349	60,307,073
NET POSITION, Ending	$ 48,634,920	$ 16,320,754	$ 4,020,659	$ 68,976,333	$ 62,252,349

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
Year Ended December 31, 2020
Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	WASTE WATER FUND	DRAINAGE FUND	TOTALS 2020	TOTALS 2019
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	$ 3,492,316	$ 2,075,242	$ 429,728	$ 5,997,286	$ 5,664,321
Cash Paid to Suppliers	(2,965,151)	(1,190,723)	(321,695)	(4,477,569)	(13,272,468)
Net Cash Provided by Operating Activities	527,165	884,519	108,033	1,519,717	(7,608,147)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of Property and Equipment	(1,549,994)	(1,642,922)	(278,536)	(3,471,452)	(940,946)
Capital Contributions	2,106,683	723,350	321,949	3,151,982	2,375,179
Deposits from Customers	15,529	6,562		22,091	(31,629)
Payments from Other Funds	(100,000)	(100,000)	1,133	(198,867)	105,000
Net Cash Provided (Used) by Capital and Related Financing Activities	472,218	(1,013,010)	44,546	(496,246)	1,507,604
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	214,990	90,373	29,686	335,049	855,379
Net Cash Provided by Investing Activities	214,990	90,373	29,686	335,049	855,379
Net Increase in Cash and Cash Equivalents	1,214,373	(38,118)	182,265	1,358,520	(5,245,164)
CASH AND INVESTMENTS, Beginning	19,765,629	9,346,239	3,248,246	32,360,114	37,605,278
CASH AND INVESTMENTS, Ending	$ 20,980,002	$ 9,308,121	$ 3,430,511	$ 33,718,634	$ 32,360,114
OPERATING ACTIVITIES					
Operating Income	$ 950,843	$ 576,842	$ 118,268	$ 1,645,953	$ (7,390,282)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities					
Depreciation and Amortization	356,431	232,030	5,753	594,214	570,481
Changes in Assets and Liabilities					
Accounts Receivable	(307,325)	(71,601)	(30,077)	(409,003)	(141,401)
Accounts Payable	(489,723)	135,694	2,143	(351,886)	(618,660)
Accrued Expenses	10,031	8,800	5,096	23,927	(39,406)
Accrued Compensated Absences	6,908	2,754	6,850	16,512	11,121
Total Adjustments	(423,678)	307,677	(10,235)	(126,236)	(217,865)
Net Cash Provided by Operating Activities	$ 527,165	$ 884,519	$ 108,033	$ 1,519,717	$ (7,608,147)

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

NOTE 1: *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The Town of Johnstown, Colorado, is a Colorado Home Rule Town and was organized on March 21, 1907. The Town is administered by an elected Mayor and Town Council.

The Town provides the following services to the residents and businesses: public safety, highways and streets, sanitation, water, culture and recreation, public improvements, planning and zoning, judicial, and general administrative services.

The accounting policies of the Town of Johnstown, Colorado (the "Town") conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the Town of Johnstown has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the Town does not include additional organizations in its reporting entity.

Government-Wide and Fund Financial Statements

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

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

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

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

The *Street and Alley Fund* is a special revenue fund that was established to account for all taxes and impact fee revenues specifically earmarked for street maintenance and improvements.

The *Use Tax Capital Improvement Fund* is a special revenue fund that was created to account for various maintenance and capital projects throughout the Town.

The Town reports the following major proprietary funds:

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

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

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

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Cash and Investments

Cash equivalents include investments with original maturities of three months or less.

Investments are recorded at fair value.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Buildings and Improvements	10 - 50 years
Machinery and Equipment	3 - 30 years
Infrastructure	10 - 50 years

Compensated Absences

Employees of the Town are allowed to accumulate unused paid time off up to a max of 80 hours. Upon termination of employment from the Town, an employee will be compensated for all accrued paid time off at their current pay rate.

These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the governmental fund types. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Long-Term Obligations

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources expense (expenditure) until then.

In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflow of resources, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Net Position

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact. As of December 31, 2020, the Town did not report any nonspendable, its prepaid items as nonspendable resources.

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. The Town has also classified the fund balances for Street and Alley, Capital Improvement, the Cemetery, and the Parks and Open Space Funds as restricted because their revenues are restricted by the municipal code or taxpayer initiative, the Library Fund is classified as restricted as the revenues are restricted through taxpayer initiatives and other governments, and the Conservation Trust Fund is classified as restricted because its revenues are restricted by State Statute.

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town Council. These amounts cannot be used for any other purpose unless the Town Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town reports unspent balances appropriated by the Town Council for contingencies, equipment replacement, and the construction of a Town recreation center.

- Assigned – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Fund Balance Classification (Continued)

- Unassigned—This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Town would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned.

Property Taxes

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

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

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2: *STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY*

Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

- Public hearings are conducted to obtain taxpayer comments.

- Prior to December 31, the budget is legally enacted through passage of a resolution.

- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.

- Budgets are legally adopted for all funds of the Town. Budgets for the General, Special Revenue, and Private Purpose Trust Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the enterprise funds are presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures.

- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

NOTE 3: *DEPOSITS AND INVESTMENTS*

A summary of deposits and investments as of December 31, 2020, follows:

Petty Cash	$ 1,016
Cash Deposits	17,767,726
Investments	106,929,539
Total	**$ 124,698,281**

NOTE 3: ***DEPOSITS AND INVESTMENTS*** (Continued)

The above amounts are classified in the statement of net position as follows:

Governmental Activities – Unrestricted	$ 90,603,048
Governmental Activities – Restricted	376,599
Business-type Activities – Unrestricted	33,718,634
Total	**$ 124,698,281**

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2020, State regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The Town has implemented a policy regarding custodial credit risk for deposits.

At December 31, 2020, the Town had deposits with financial institutions with a carrying amount of $17,767,726. The bank balances with the financial institutions were $24,860,910. Of these balances, $638,614 was covered by federal depository insurance and $24,222,296 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Investments

As of December 31, 2020, the Town had the following investments and maturities:

		Maturities (in Years)	
Type of Investment	Fair Value	0 – 1 Years	1 – 5 Years
U.S. Government Securities	$ 20,570,553	$ 13,953,930	$ 6,616,623
U.S. Government Agencies	20,113,971	9,795,655	10,318,316
Corporate Bonds	500,325	500,325	
Money Market Funds	20,252	20,252	
Local Government Investment Pools	65,724,438	65,724,438	
Total	**$ 106,929,539**	**$ 89,994,600**	**$ 16,934,939**

NOTE 3: ***DEPOSITS AND INVESTMENTS*** (Continued)

Investments (Continued)

Interest Rate Risk

The Town has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The above investments are authorized for all funds and fund types used by Colorado municipalities. The Town's securities at December 31, 2020, are rated AA+ by Standard and Poor's and Aaa by Moody's Investors Services for its U.S. Government Agencies and Securities. The Town's Corporate Bonds ratings range from A1 by Moody's Investors.

Investment Pools

The Town had invested $16,716,999 in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado pursuant to Title 24, Article 75, Part 7 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pools. CSAFE reports its underlying investments at amortized cost and is considered a qualifying external investment pool under GASB Statement 79. CSAFE operates similar to money market funds where each share is equal in value to $1.00. The fair value of the position in the pools is the same as the value of the pooled shares.

CSAFE is rated AAAm by Standard and Poor's. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are owned by the pools and held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pools. Investments of the pools comply with state statues, consisting of U.S. Treasury bills, notes and note strips, repurchase agreements, U.S. Instrumentalities, Commercial Paper, Bank Deposits and Money Market Funds. CSAFE does not have any limitations or restrictions on participant withdrawals.

NOTE 3: ***DEPOSITS AND INVESTMENTS*** (Continued)

Investments (Continued)

Investment Pools (Continued)

The Town had invested $49,007,439 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAm by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to $1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

The Town invested $20,252 in a Money Market Mutual Fund. The Fund invests only in government securities as defined under the Investment Company Act of 1940 (the "1940 Act"), as amended. The Fund intends to be a government money market fund as defined under Rule 2a-7 under the 1940 Act. The fair value of investments in the fund is based on the published net asset values per share of those funds and is maintained at a stable net asset value of $1.00 per share. The fund values its securities using amortized cost.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant observable inputs.

At December 31, 2020, the Town held investments in U.S. Government Securities and U.S. Government Agencies in the amount of $20,570,353 and $20,113,971, respectively, with maturity dates of less than one and five years. Given the low risk of this type of investment, the Town has not established a policy limiting the amount of investments in this type of security and deems it unnecessary at this time. These investments are valued with Level 1 inputs.

NOTE 3: ***DEPOSITS AND INVESTMENTS*** (Continued)

Investments (Continued)

Investment Pools (Continued)

The Town held investments in Commercial Bonds in the amount of $500,325 with maturity dates of less than one year. These investments are valued with Level 1 inputs.

Restricted Cash and Investments

Cash and Investment in the amount of $368,440 are restricted in the General Fund for developer and escrow deposits and funds in the amount of $8,139 are restricted in the Conservation Trust Fund for parks and recreation.

NOTE 4: ***CAPITAL ASSETS***

Capital assets activity for the year ended December 31, 2020 is summarized below:

	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
Governmental Activities				
Capital Assets, not depreciated				
Land	$ 1,099,633	$ -	$ -	$ 1,099,633
Water Shares		687,500		687,500
Construction in Progress	22,899,305	102,400	22,899,305	102,400
Total Capital Assets, not depreciated	23,998,938	789,900	22,899,305	1,889,533
Capital Assets, depreciated				
Buildings	9,796,183	30,564,890	-	40,361,073
Improvements	3,180,978	133,914	-	3,314,892
Infrastructure	1,765,086	2,201,572		3,966,658
Equipment	4,523,141	1,602,489	41,986	6,083,644
Total Capital Assets, depreciated	19,265,388	34,502,865	41,986	53,726,267
Less Accumulated Depreciation				
Buildings	2,393,174	601,088		2,994,262
Improvements	886,869	64,435	-	951,304
Infrastructure	104,017	41,895	-	145,912
Equipment	2,893,059	416,434	41,986	3,267,507
Total Accumulated Depreciation	6,277,119	1,123,852	41,986	7,358,985
Total Capital Assets, depreciated, Net	12,988,269	33,379,013		46,367,282
Governmental Activities, Capital Assets, Net	$ 36,987,207	$ 34,168,913	$ 22,899,305	$ 48,256,815

NOTE 4: ***CAPITAL ASSETS*** (Continued)

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

Governmental Activities

General Government	$ 619,245
Public Safety	189,410
Public Works	222,988
Culture and Recreation	92,209
Total	$ 1,123,852

	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
Business-Type Activities				
Capital Assets, not depreciated				
Land	$ 72,405	$	$	$ 72,405
Water Rights	16,751,249	1,787,500	-	18,538,749
Construction In Progress	541,309	2,178,364	138,370	2,581,303
Total Capital Assets, not depreciated	17,364,963	3,965,864	138,370	21,192,457
Capital Assets, depreciated				
Utility Systems	21,603,792	1,074,779	-	22,678,571
Equipment	1,155,887	81,679		1,237,566
Total Capital Assets, depreciated	22,759,679	1,156,458		23,916,137
Less: Accumulated Depreciation				
Utility Systems	9,123,368	512,724		9,636,092
Equipment	202,286	81,490	-	283,776
Total Accumulated Depreciation	9,325,654	594,214		9,919,868
Total Capital Assets, depreciated, Net	13,434,025	562,244		13,996,269
Business Type Activities, Capital Assets, Net	$ 30,798,988	$ 4,528,108	$ 138,370	$ 35,188,726

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

Business-type Activities

Water Fund	$ 356,431
Wastewater Fund	232,030
Drainage Fund	5,753
Total	$ 594,214

NOTE 4: ***CAPITAL ASSETS*** (Continued)

The Town has determined that it has received various capital contributions in the form of water rights through various agreements with developers over the years. The Town is unable to determine the quantity and fair value at the time the ownership was transferred to the Town, and therefore has not capitalized these water rights. The Town will be continuing its process of determining the acquisition value of additional water rights and shares owned during the year ended December 31, 2021.

NOTE 5: ***LONG-TERM DEBT***

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2020.

	Balance 12/31/2019	Additions	Payments	Balance 12/31/2020	Due In One Year
Accrued Compensated Absences	$ 57,751	$ 119,915	$ 57,751	$ 119,915	$ -

Accrued Compensated Absences are being paid from resources generated by the General Fund.

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2020.

	Balance 12/31/2019	Additions	Payments	Balance 12/31/2020	Due In One Year
Accrued Compensated Absences	$ 26,740	$ 43,252	$ 26,740	$ 43,252	$ -

Accrued Compensated Absences are being paid from resources generated by the Water, Wastewater, and Drainage Funds.

NOTE 6: *INTERFUND AMOUNTS*

Interfund transfers for the year ended December 31, 2020, were comprised of the following:

Transfers To Other Funds	Transfers From Other Funds		Amount
General Fund	Capital Improvement Fund	$	59,895
Street and Alley Fund	General Fund		2,698,869
Library Fund	General Fund		1,259,823
Parks and Open Space Fund	General Fund		11,564
Parks and Open Space Fund	Library Fund		479,233
Parks and Open Space Fund	Water Fund		100,000
Parks and Open Space Fund	Wastewater Fund		100,000
Parks and Open Space Fund	Drainage Fund		20,000
Total		**$**	**4,729,384**

The transfers between the Capital Improvement Fund and the General Fund were made to transfer use taxes as part of the reimbursement agreements with developers. A transfer from the General Fund to the Street and Alley Fund, in the amount of $2,000,000, was made to cover I-25 CDOT project costs. The transfer to the Library Fund from the General Fund were made to transfer the Town's share of property taxes restricted to support to library operations. The transfers from the Water, Wastewater and Drainage Funds, totaling $220,000, were made to assist with parks and open spaces activities. These transfers are budgeted annually.

In addition, the General Fund transferred $698,869 and $11,564, to the Street and Alley Fund and the Parks and Open Space Fund, respectively, and the Library Fund transferred $479,233 to the Parks and Open Space Fund. These transfers were a result of the fund reorganization discussed in Note 12.

NOTE 7: *TAX ABATEMENTS*

Johnson's Corner Annexation Agreement

The Town entered into the Johnson's Corner Annexation Agreement with the owners of Johnson's Corner under the Municipal Annexation Act, Part 1 of Article 12 of Title 31 of the Colorado Revised Statutes ("C.R.S"). In exchange for the real property annexed by the Town and for the purpose of paying for certain improvements needed to service the property, the Town agreed reimburse 1% of the amount of all sales and use taxes collected from taxable activities on the property to the owners.

NOTE 7: ***TAX ABATEMENTS*** (Continued)

Johnson's Corner Annexation Agreement (Continued)

The original annexation agreement was entered into on June 7, 1999, with an expiration of 15 years from the date of annexation. In 2008, the Town amended this agreement to extend the tax credit for an additional 5 years. During the year ended December 31, 2020, the Town reimbursed sales taxes to the owners of the Johnson's Corner Property in the amount of $24,437.

WRFG Annexation Agreement

The Town entered into the WRFG Annexation Agreement, for the 2534 Development (the commercial properties along State Highway 34) under the Municipal Annexation Act, Part 1 of Article 12 of Title 31 of the Colorado Revised Statutes ("C.R.S"). In exchange for the real property annexed by the Town and for the purpose of paying for certain improvements needed to service the property, the Town has agreed to reimburse 1% of sales and use taxes to the owners of the 2534 Development. This agreement was entered into on December 14, 2000, with an expiration of 25 years from the date of the annexation. For the year ended December 31, 2020, the Town reimbursed sales taxes to the owners of the 2534 Development property in the amount of $439,495.

NOTE 8: DEFINED BENEFIT PENSION PLAN

Statewide Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The Town contributes to the Statewide Defined Benefit Pension Plan ("SWDB Plan"), a cost-sharing multiple-employer defined benefit pension plan, which is administered by the FPPA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB Plan have been determined using the economic resources measurement focus and the accrual basis of accounting.

The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Separate Retirement Account assets from eligible retired members).

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan

Plan description. The SWDB Plan provides retirement benefits for members and beneficiaries according to plan provisions as enacted and governed by FPPA's Pension Fund Board of Trustees. Colorado Revised Statutes ("CRS"), as amended, establishes basic benefit provisions under the SWDB Plan. FPPA issues an annual, publicly-available financial report that includes the assets of the SWDB Plan. That report may be obtained on FPPA's website at http://www.fppaco.org.

Benefits provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually.

Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan (Continued)

Contributions. The SWDB Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB Plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 8 percent in 2019 and 2020. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2019, members of the SWDB plan and their employers are contributing at the rate of 10.5 percent and 8 percent, respectively, of pensionable earnings for a total contribution rate of 18.5 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 22.5 percent and 23.0 percent of pensionable earnings in 2019 and 2020, respectively. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4 percent contribution, to reflect the actual cost of reentry by department, to the plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 5.25 percent and 4 percent, respectively, of pensionable earnings for a total contribution rate of 9.25 percent in 2019 and 9.50 percent in 2020. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions are 4 percent in 2019 and 2020. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

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

At December 31, 2020, the Town reported an asset in the amount of $55,237 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020. Standard update procedures were used to roll forward the total pension liability to December 31, 2020.

The Town's proportion of the net pension asset was based on the Town's contributions to the SWDB Plan for the calendar year 2019 relative to the total contributions of participating employers to the SWDB Plan.

At December 31, 2019 the Town's proportion was 0.09767%, which was an increase of 0.00247% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020 the Town recognized a pension expense of $48,602. At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$186,932	$1,081
Net difference between projected and actual earnings on pension plan investments	N/A	$86,834
Changes in proportion and differences between contributions recognized and proportionate share of contributions	$5,249	$9,832
Change in assumptions and other inputs	$104,883	N/A
Contributions subsequent to the measurement date	$70,259	N/A
Total	**$367,323**	**$97,747**

$70,259 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTE 8: <u>DEFINED BENEFIT PENSION PLANS</u> (Continued)

<u>Statewide Defined Benefit Pension Plan</u> (Continued)

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

Year ended December 31	
2021	$18,963
2022	$11,443
2023	$39,692
2024	$3,051
2025	$39,994
Thereafter	$86,174

Actuarial assumptions. The actuarial valuations for the SWDB Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2019. The valuations used the following actuarial assumptions and other inputs:

<u>Total Pension Liability:</u>

Actuarial Valuation Date	January 1, 2020
Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term Investment Rate of Return*	7.00 percent
Projected salary increases*	4.25 – 11.25 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 2.5%	

<u>Actuarially Determined Contributions:</u>

Actuarial Valuation Date	January 1, 2019
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.0 percent
Projected salary increases*	4.25-11.25 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 2.5%	

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

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	38.00%	7.00%
Equity Long/Short	8.00%	6.00%
Private Markets	25.00%	9.20%
Fixed Income	15.00%	5.20%
Absolute Return	8.00%	5.50%
Managed Futures	4.00%	5.00%
Cash	2.00%	2.52%
Total	100.00%	

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

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

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.75 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	$334,913	($55,237)	($378,815)

Pension plan fiduciary net position. Detailed information about the SWDB Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at http://www.fppaco.org.

NOTE 9: *OTHER RETIREMENT COMMITMENTS*

Deferred Compensation Plan

All full time employees are eligible to participate in a voluntary 457 Deferred Comp Plan. The Plan is administered by Pension Management. The Town matches up to 4.2% for regular full time employees and 9.2% for Department Heads. All full time employees are eligible to participate in the plan upon hire and are immediately vested. The Town contributed $83,629, $116,969, and $136,319, to the plan for the years ended December 31, 2018, 2019, and 2020 respectively, equal to the required contribution.

NOTE 10: *RISK MANAGEMENT*

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Town carries commercial insurance to cover these risks. The Town has not had any claims that exceeded insurable amounts for the last three years.

NOTE 11: *COMMITMENTS AND CONTINGENCIES*

Facility Management Agreement

In April 2018, the Town entered into a Facility Management Agreement with the YMCA of Boulder Valley. Per the agreement, the YMCA has agreed to manage and operate the Recreation Facility owed by the Town. The YMCA will use Facility Revenues to cover normal and routine operating costs of the Facility and the Town has agreed to provide an operating subsidy in an amount not to exceed $500,000 annually, to cover any shortfall from operations. This agreement is effective through December 31, 2031, and unless one party gives written notice to the other, the Agreement shall automatically renew for additional ten year terms. During the year ended December 31, 2020, the Town paid an operating subsidy in to the YMCA the amount of $441,736, equal to the amount required per the terms of this agreement.

Water Agreement

The Town has entered into a Water Agreement with W.R. Investment LLC ("WRI"), whereby the Town has agreed to a partial infrastructure cost reimbursement to settle a conflict created by a water decree issued to WRI in 2017 related to water usage implemented in prior agreements between the Town and WRI. Per the terms of the cost reimbursement agreement, the Town has agreed to pay WRI $4,600 per building permit issued up to 305 permits. For the years ended December 31, 2019 and 2020, the Town has reimbursed WRI $423,200 and $487,600, respectively. As of December 31, 2020, the Town has recorded a liability in the Water Fund in the amount of $492,200 for the remaining 107 permits yet to be issued under this agreement.

NOTE 11: *COMMITMENTS AND CONTINGENCIES*

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. On November 5, 2013, voters within the Town approved the collection, retention and expenditure the full amount of the town taxes, grants and all other revenue collected from all sources including property taxes, received in 2012 and each subsequent year, without regard to any revenue or expenditure limitations including those contained in Article X, Section 20 of the Colorado constitution or any other law.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2020, the emergency reserve of $875,000 was recorded in the General Fund.

NOTE 12: *CHANGE IN ACCOUNTING METHOD*

Fund Reorganization

In 2019, a fund reorganization was approved as part of the Johnstown Municipal Code, Chapter 4: Revenues and Finance update. In the Town's 2020 budget, the reorganization resulted in the establishment of various new funds and elimination of other funds. The purpose of this reorganization was to better align revenues with their relative expenditures and to create additional transparency necessary to keep the Town accountable to its constituents.

As a result of the reorganization, the beginning fund balances of certain individual governmental fund financials have been restated, however, in total, the beginning fund balance reported for all funds in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, has not changed. In addition, the beginning Net Position reported for Governmental Activities in the Statement of Activities has not changed.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF JOHNSTOWN, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Taxes and Fees	$ 12,631,080	$ 12,631,080	$ 18,176,264	$ 5,545,184
Licenses and Permits	822,200	822,200	806,904	(15,296)
Intergovernmental	30,000	30,000	933,830	903,830
Charges for Services			12,624	12,624
Fines and Forfeitures	171,000	171,000	148,877	(22,123)
Interest Income	288,100	288,100	397,304	109,204
Miscellaneous	207,200	207,200	719,737	512,537
TOTAL REVENUES	14,149,580	14,149,580	21,195,540	7,045,960
EXPENDITURES				
General Government	3,720,780	3,720,780	3,277,859	442,921
Public Safety	3,433,380	3,433,380	3,193,597	239,783
Public Works	1,144,700	1,144,700	1,259,106	(114,406)
Culture and Recreation	500,000	500,000	441,756	58,244
Capital Outlay	12,306,650	12,306,650	9,011,382	3,295,268
TOTAL EXPENDITURES	21,105,510	21,105,510	17,183,700	3,921,810
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,955,930)	(6,955,930)	4,011,840	10,967,770
OTHER FINANCING SOURCES (USES)				
Transfers In	490,000	490,000	59,895	(430,105)
Transfers Out	(13,497,660)	(13,497,660)	(3,970,256)	9,527,404
TOTAL OTHER FINANCING SOURCES (USES)	(13,007,660)	(13,007,660)	(3,910,361)	9,097,299
NET CHANGE IN FUND BALANCE	(19,963,590)	(19,963,590)	101,479	20,065,069
FUND BALANCES, Beginning, as Restated	47,148,928	47,148,928	54,864,679	7,715,751
FUND BALANCE, Ending	$ 27,185,338	$ 27,185,338	$ 54,966,158	$ 27,780,820

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

STREET AND ALLEY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes and Fees	$ 1,576,000	$ 5,184,694	$ 3,608,694
Intergovernmental	1,426,650	1,686,464	259,814
Charges for Services	676,000	717,070	41,070
Interest Income	27,000	74,466	47,466
Miscellaneous		427,167	427,167
TOTAL REVENUES	3,705,650	8,089,861	4,384,211
EXPENDITURES			
Public Works	2,090,050	2,002,521	87,529
Capital Outlay	8,878,500	8,681,760	196,740
TOTAL EXPENDITURES	10,968,550	10,684,281	284,269
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(7,262,900)	(2,594,420)	4,668,480
OTHER FINANCING USES			
Transfers In	2,000,000	2,698,869	(698,869)
NET CHANGE IN FUND BALANCES	(5,262,900)	104,449	3,969,611
FUND BALANCES, Beginning, as Restated	8,463,136	9,763,088	(1,299,952)
FUND BALANCES, Ending	$ 3,200,236	$ 9,867,537	$ 2,669,659

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

CAPITAL IMPROVEMENT FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes	$ 450,000	$ 1,176,521	$ 726,521
Interest Income	79,000	186,094	107,094
TOTAL REVENUES	529,000	1,362,615	833,615
EXPENDITURES			
Public Works	479,700	8,355	471,345
Capital Outlay	2,000,000	50,201	1,949,799
TOTAL EXPENDITURES	2,479,700	58,556	2,421,144
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,950,700)	1,304,059	3,254,759
OTHER FINANCING USES			
Transfers Out	(15,000)	(59,895)	(44,895)
NET CHANGE IN FUND BALANCES	(1,965,700)	1,244,164	3,209,864
FUND BALANCES, Beginning, as Restated	10,124,058	12,684,794	2,560,736
FUND BALANCES, Ending	$ 8,158,358	$ 13,928,958	$ 5,770,600

See the accompanying independent auditors' report.

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	2013	2014	2015	2016	2017	2018	2019
Town's proportionate share of the Net Pension Liability (Asset)	0.098%	0.095%	0.092%	0.098%	0.092%	0.095%	0.098%
Town's proportionate share of the Net Pension Liability (Asset)	$ (87,606)	$ (107,336)	$ (1,619)	$ 35,231	$ (132,637)	$ 120,358	$ (55,237)
Town's covered payroll	$ 853,614	$ 868,645	$ 911,068	$ 997,981	$ 1,040,266	$ 1,277,103	$ 1,439,700
Town's proportionate share of the Net Pension Liability (Asset) as a percentage of its covered payroll	-10.3%	-12.4%	-0.2%	3.5%	-12.8%	9.4%	-3.8%
Plan fiduciary net position as a percentage of the total pension liability	106.8%	105.8%	100.1%	93.2%	106.3%	95.2%	101.9%

Notes:

This schedule is reported as of December 31, as that is the plan year end.

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	2013	2014	2015	2016	2017	2018	2019	2020
Statutorily required contributions	34,043	$ 34,216	$ 36,443	$ 39,919	$ 41,450	$ 51,016	$ 57,587	$ 70,259
Contributions in relation to the Statutorily required contributions	34,043	34,216	36,443	39,919	41,450	51,016	57,587	70,259
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	$ 853,314	$ 868,643	$ 911,068	$ 997,981	$ 1,040,266	$ 1,277,103	$ 1,439,700	$ 1,756,485
Contributions as a percentage of covered payroll	3.99%	3.94%	4.00%	4.00%	3.98%	3.99%	4.00%	4.00%

Notes:

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

TOWN OF JOHNSTOWN, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2020

	SPECIAL REVENUE			
	LIBRARY FUND	CEMETERY FUND	PARKS AND OPEN SPACE FUND	TOTAL
ASSETS				
Cash and Investments	$ 5,157,855	$ 144,554	$ 7,252,207	$ 12,554,616
Restricted Cash and Investments			8,159	8,159
Accounts Receivable	199,381	-	49,639	249,020
Due from Other Funds	-	-	-	-
TOTAL ASSETS	$ 5,357,236	$ 144,554	$ 7,310,005	$ 12,811,795
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	$ 34,531	$	$ 8,484	$ 43,015
Accrued Liabilities	6,729	-	7,148	13,877
TOTAL LIABILITIES	41,260		15,632	56,892
FUND EQUITY				
Fund Balance				
Restricted for Culture and Recreation	5,315,976	-	-	5,315,976
Restricted for Parks & Recreation			7,294,373	7,294,373
Restricted for Cemetery Maintenance		144,554		144,554
TOTAL FUND EQUITY	5,315,976	144,554	7,294,373	12,754,903
TOTAL LIABILITIES AND FUND BALANCES	$ 5,357,236	$ 144,554	$ 7,310,005	$ 12,811,795

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended December 31, 2020

	SPECIAL REVENUE			
	LIBRARY FUND	CEMETERY FUND	PARKS AND OPEN SPACE FUND	TOTAL
REVENUES				
Taxes and Fees	$ 354,444	$ -	$ 578,168	$ 932,612
Charges for Services	-	-	52,211	52,211
Licenses and Permits				
Intergovernmental	827,171		351,261	1,178,432
Interest Income	27,948	916	49,595	78,459
Miscellaneous	5,746	10,299	-	16,045
TOTAL REVENUES	1,215,309	11,215	1,031,235	2,257,759
EXPENDITURES				
General Government	-	-		
Public Works	-	-	-	-
Culture and Recreation	1,329,807		467,711	1,797,518
Capital Outlay			210,476	210,476
TOTAL EXPENDITURES	1,329,807	-	678,187	2,007,994
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(114,498)	11,215	353,048	249,765
OTHER FINANCING SOURCES (USES)				
Transfers In	1,259,823	-	710,797	1,970,620
Transfers Out	(479,233)			(479,233)
TOTAL OTHER FINANCING SOURCES (USES)	780,590	-	710,797	1,491,387
NET CHANGE IN FUND BALANCE	665,092	11,215	1,063,845	1,741,152
FUND BALANCE, Beginning, as Restated	4,649,884	133,339	6,230,528	11,013,751
FUND BALANCE, Ending	$ 5,315,976	$ 144,554	$ 7,294,373	$ 12,754,903

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

LIBRARY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Library Facilities Fee	$ 20,000	$ 20,000	$ 354,444	$ 334,444
Intergovernmental	824,716	824,716	827,171	2,455
Interest Income	1,500	1,500	27,948	26,448
Miscellaneous	11,000	11,000	5,746	(5,254)
TOTAL REVENUES	857,216	857,216	1,215,309	358,093
EXPENDITURES				
Culture and Recreation	1,589,915	2,340,678	1,329,807	1,010,871
TOTAL EXPENDITURES	1,589,915	2,340,678	1,329,807	1,010,871
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(732,699)	(1,483,462)	(114,498)	1,368,964
OTHER FINANCING SOURCES (USES)				
Transfers In	1,022,660	1,022,660	1,259,823	237,163
Transfers Out	-	-	(479,233)	(479,233)
TOTAL OTHER FINANCING SOURCES	1,022,660	1,022,660	780,590	(242,070)
NET CHANGE IN FUND BALANCE	289,961	(460,802)	666,092	1,126,894
FUND BALANCE, Beginning, as Restated	3,491,367	3,491,367	4,649,884	1,158,517
FUND BALANCE, Ending	$ 3,781,328	$ 3,030,565	$ 5,315,976	$ 2,285,411

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

CEMETERY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Sale of Lots	$ 903	$ 10,299	$ 9,396
Interest Income	100	916	816
TOTAL REVENUES	1,003	11,215	10,212
EXPENDITURES			
Operations and Maintenance	-	-	-
TOTAL EXPENDITURES			
NET CHANGE IN FUND BALANCE	1,003	11,215	10,212
FUND BALANCES, Beginning	125,195	133,339	8,144
FUND BALANCES, Ending	$ 126,198	$ 144,554	$ 18,356

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

PARKS AND OPEN SPACE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes and Fees	$ 210,500	$ 578,168	$ 367,668
Charges for Services	22,317	52,211	29,894
Intergovernmental	478,800	351,261	(127,539)
Interest Income	47,800	49,595	1,795
Miscellaneous	1,000		(1,000)
TOTAL REVENUES	760,417	1,031,235	270,818
EXPENDITURES			
Culture and Recreation	458,750	467,711	(8,961)
Capital Outlay	803,000	210,476	592,524
TOTAL EXPENDITURES	1,261,750	678,187	583,563
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(501,333)	353,048	854,381
OTHER FINANCING SOURCES (USES)			
Transfers In	220,000	710,797	490,797
TOTAL OTHER FINANCING SOURCES	220,000	710,797	490,797
NET CHANGE IN FUND BALANCE	(281,333)	1,063,845	1,345,178
FUND BALANCE, Beginning, as Restated	5,544,616	6,230,528	685,912
FUND BALANCE, Ending	$ 5,263,283	$ 7,294,373	$ 2,031,090

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Charges for Services	$ 2,537,000	$ 3,427,297	$ 890,297	$ 2,851,682
Contributions	1,904,625	3,619,183	1,714,558	7,200,881
Intergovernmental	1,000,000	298,500	(701,500)	-
Interest Income	126,000	214,990	88,990	562,171
Miscellaneous	125,000	372,344	247,344	428,406
Transfers In				105,000
TOTAL REVENUES	5,692,625	7,932,314	2,239,689	11,148,140
EXPENDITURES				
Administration	422,550	194,215	228,335	6,196,252
Operations	2,242,920	2,298,152	(55,232)	1,747,519
Capital Outlay	6,498,000	1,549,994	4,948,006	312,273
Depreciation Expense	355,000	356,431	(1,431)	350,416
Transfers Out	100,000	100,000		
TOTAL EXPENDITURES	9,618,470	4,498,792	5,119,678	8,606,460
NET INCOME, Budget Basis	$ (3,925,845)	3,433,522	$ 7,359,367	2,541,680
GAAP BASIS ADJUSTMENTS				
Capital Outlay		1,549,994		312,273
NET INCOME, GAAP Basis		4,983,516		2,853,953
NET POSITION, Beginning		43,651,404		35,901,451
Prior Period Adjustment				4,896,000
NET POSITION, Beginning, as restated		43,651,404		40,797,451
NET POSITION, Ending		$ 48,634,920		$ 43,651,404

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

WASTEWATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Charges for Services	$ 1,950,000	$ 2,130,323	$ 180,323	$ 2,045,675
Contributions	660,000	723,350	63,350	1,174,298
Intergovernmental	1,000,000	-	(1,000,000)	-
Interest Income	81,000	90,373	9,373	202,637
Miscellaneous	1,000	16,520	15,520	34,369
Transfers In	10,000,000		(10,000,000)	
TOTAL REVENUES	13,692,000	2,960,566	(10,731,434)	3,456,979
EXPENDITURES				
Administration	210,500	180,118	30,382	264,017
Operations	1,895,870	1,157,853	738,017	4,206,723
Capital Outlay	10,874,000	1,642,922	9,231,078	628,674
Depreciation Expense	205,000	232,030	(27,030)	214,313
Transfers Out	100,000	100,000		
TOTAL EXPENDITURES	13,285,370	3,312,923	9,972,447	5,313,727
NET INCOME, Budget Basis	$ 406,630	(352,357)	$ (758,987)	(1,856,748)
GAAP BASIS ADJUSTMENTS				
Capital Outlay		1,642,922		628,674
TOTAL GAAP BASIS ADJUSTMENTS		1,642,922		628,674
NET INCOME, GAAP Basis		1,290,565		(1,228,074)
NET POSITION, Beginning		15,030,189		16,258,263
NET POSITION, Ending		$ 16,320,754		$ 15,030,189

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

DRAINAGE ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Drainage Fees	$ 435,000	$ 459,460	$ 24,460	$ 445,590
Contributions	50,000	321,949	271,949	-
Interest Income	25,200	29,686	4,486	90,571
Miscellaneous		345	345	
TOTAL REVENUES	510,200	811,440	301,240	536,161
EXPENDITURES				
Administration	123,100	114,270	8,830	92,670
Operations	338,900	221,514	117,386	118,342
Capital Outlay	515,000	278,536	236,464	
Depreciation Expense	7,000	5,753	1,247	5,752
Transfers Out	20,000	20,000	-	-
TOTAL EXPENDITURES	1,004,000	640,073	363,927	216,764
NET INCOME, Budget Basis	$ (493,800)	171,367	$ 665,167	319,397
GAAP BASIS ADJUSTMENTS				
Capital Outlay		278,536		-
NET INCOME, GAAP Basis		449,903		319,397
NET POSITION, Beginning		3,570,756		3,251,359
NET POSITION, Ending		$ 4,020,659		$ 3,570,756

See the accompanying independent auditors' report.

STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Johnstown, Town of
		YEAR ENDING : December 2020
This Information From The Records Of (example - City of _ or County of Town of Johnstown	Prepared By: Phone:	Mitzi McCoy 970.578.9602

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	4,932,625
4. Miscellaneous local receipts (from page 2)	
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	4,932,625
B. Private Contributions	
C. Receipts from State government (from page 2)	1,527,466
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	6,460,090

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	2,300,036
2. Maintenance:	2,283,126
3. Road and street services:	
a. Traffic control operations	0
b. Snow and ice removal	58,256
c. Other	0
d. Total (a. through c.)	58,256
4. General administration & miscellaneous	14,863
5. Highway law enforcement and safety	0
6. Total (1 through 5)	4,656,282
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	0
D. Payments to toll facilities	0
E. Total disbursements (A.6 + B.3 + C + D)	4,656,282

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

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
0	6,460,090	4,656,282	1,803,809	(0)

Notes and Comments:

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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	0	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalities	0
1. Sales Taxes	707,560	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	1,829,529	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	2,395,535	g. Other Misc. Receipts	0
6. Total (1. through 5.)	4,932,625	h. Other	0
c. Total (a. + b.)	4,932,625	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	463,677	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	63,789	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant	1,000,000	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	1,063,789	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,527,466	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation		2,300,036	2,300,036
(5). Total Construction (1) + (2) + (3) + (4)	0	2,300,036	2,300,036
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,300,036	2,300,036
			(Carry forward to page 1)

Notes and Comments: