TOWN OF NEDERLAND, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2020

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FINANCIAL SECTION

JOHN CUTLER
& ASSOCIATES

Honorable Mayor and Members of the Board of Trustees
Town of Nederland
Nederland, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Nederland, 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.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that required supplemental information on pages 28-32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has not presented the management's discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion is not affected by this missing information.

Other Information

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

John Cutler & Associates, LLC

July 28, 2021

Town of Nederland, Colorado
Management's Discussion and Analysis

Fiscal Year Ending December 31, 2020

This Management's Discussion and Analysis (MD&A) of the Town of Nederland's 2020 financial statements is offered to provide an overview and analysis of the government's financial activities. The MD&A should be read in conjunction with the Town's basic financial statements.

The Town of Nederland is a Statutory Municipality incorporated in 1874. The Town has seven elected officials who are responsible for all policy decisions that affect the government's financial condition. The appointed Town Administrator is responsible for preparing the annual budget which is adopted by the Board of Trustees every December. The Town Administrator and appointed Town Treasurer are responsible for financial reporting to the Town's Board of Trustees and to the public at large. The Town maintains six separate funds, which are as follows:

A) General Fund (includes Health & Human Services Fund)
B) Community Center Fund
C) Conservation Trust Fund
D) Water Fund
E) Sewer Fund
F) Street Fund

Additionally, the Town maintains a Downtown Development Authority (DDA) Fund which acts as a component unit and is reflected as a non-major fund in Town's financial statements.

<u>Overview of the Financial Statements</u>

The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements:

The government-wide financial statements, which consist of the Statement of Net Position and the Statement of Activities, give readers a broad overview of the entire Town's financial position and changes in financial position in a manner similar to a private-sector business. These statements report information about the Town as a whole and include all assets and liabilities using the accrual basis of accounting, which reports all of the current year's revenues and expenses regardless of when the cash is received or paid.

The ***statement of net position*** presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. Other non-financial factors, however, such as changes in the Town's property tax base, are needed to assess the overall financial condition of the Town.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows (accrual basis of accounting). Thus, some revenues and expenses reported in this statement will result in cash flows in future periods (e.g., uncollected taxes).

The government-wide financial statements distinguish the different functions of the Town that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from the other functions that are intended to recover all or a significant portion of their costs through user fees or charges for services (Business Type Activities). The Governmental Activities of the Town of Nederland include general government, administration and finance, municipal court, public safety, public works, and parks and recreation. The Business Type Activities include water and wastewater.

Fund Financial Statements

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

Governmental Funds - The activity of the Town's General, Community Center, Street, Downtown Development Authority, and Special Revenue (Conservation Trust) funds are reported as governmental funds, which are essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary (Business Like) Fund - The Town of Nederland maintains two proprietary (enterprise) funds, which report the same functions as the business-type activities in the government-wide financial statements. The Town uses the proprietary funds to account for the activities associated with its water and sewer utilities that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs, including depreciation, of providing goods or services to the public be financed or recovered primarily through user fees or charges.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information and certain additional supplemental information.

Financial Highlights

Governmental Activities

- As of December 31, 2020 the governmental funds held $1,957,467 in cash & investments and $398,950 in current liabilities.

- As of December 31, 2020 the Town's governmental activities fund held $5,937,058 in capital assets, a 4.6% decrease; and $387,512 in long-term liabilities, a 26.9% decrease.

- 2020 Nederland sales tax revenue was up 4.7% compared to fiscal year 2019.

- 2020 use tax revenue increased by 68.5% or $28,194 compared to fiscal year 2019.

- Total governmental activities net position increased by 6.4 % or $470,625 during the 2020 fiscal year.

Business-type Activities

- As of December 31, 2020 total assets were $11,773,111, a decrease of 1.2 % over 2019. Current assets increased by $584,277, or 28.8%; Capital assets decreased by $555,717, or 5.6%.

- Total liabilities decreased by 3.2% or $176,253 during 2020.

- 2020 service revenue from the water and wastewater services increased by $49,146 or 4.6% compared to fiscal year 2019. 2020 total program revenues decreased $773,036 or 50% over 2019 total revenue.

- 2020 expenses from the water and wastewater funds decreased $41,798 or 2.4% compared to fiscal year 2019.

- Total business-type activities net position increased by $204,813 during the 2020 fiscal year.

Statement of Net Position

The following table reflects the condensed Statement of Net Position compared to the prior fiscal year.

	Government Activities		Business Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	$ 3,464,372	$ 2,862,701	$ 2,445,513	$ 2,031,093	$ 5,909,885	$ 4,893,794
Capital assets	5,937,058	6,222,200	9,327,598	9,883,315	15,264,656	16,105,515
Total assets	9,401,430	9,084,901	11,773,111	11,914,408	21,174,541	20,999,309
Long-term debt outstanding	248,594	384,292	4,682,702	4,918,214	4,931,296	5,302,506
Other liabilities	414,370	447,496	453,420	564,018	867,790	1,011,514
Total liabilities	662,964	831,788	5,136,122	5,482,232	5,799,086	6,314,020
Deferred Inflows	901,105	886,377			901,105	886,377
Liabilities & Deferred Inflows	1,564,069	1,718,165	5,136,122	5,482,232	6,700,191	7,200,397
Net position:						
Net Investment in capital assets	5,549,546	5,692,041	4,294,003	4,595,773	9,843,549	10,287,814
Restricted	1,417,587	1,025,702	250,000	245,000	1,667,587	1,270,702
Unrestricted	870,228	648,993	2,092,986	1,591,403	2,963,214	2,240,396
Total net position	$7,837,361	$7,366,736	$6,636,989	$6,432,176	$14,474,350	$13,798,912

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation:

Net Results of Activities – will impact (increase/decrease) current assets and unrestricted net position.
Borrowing for Capital – will increase current assets and long-term debt.
Spending Borrowed Proceeds on New Capital – will reduce current assets and increase capital assets. A second impact results in an increase in capital assets and an increase in related net debt which will not change the net investment in capital assets.
Spending of Non-borrowed Current Assets on New Capital – will (1) reduce current assets and increase capital assets and (2) will reduce restricted and or unrestricted net position and increase invested in capital assets, net of debt.
Principal Payment on Debt – will (1) reduce current assets and reduce long-term debt and (2) reduce unrestricted net position and increase the net invested in capital assets.
Reduction of Capital Assets Through Depreciation – will reduce capital assets and net investment in capital assets.

The Town's total net position for fiscal year 2020 increased by 4.9% or $675,438. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's assets exceed liabilities by $14,474,350 (net position).

The net funds invested in Capital assets (e.g. land, buildings, equipment, etc.) make up 68% of net position. The Town uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the Town's investments in capital assets are 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 retire these liabilities.

The restricted net position (11.5%) represents resources that are subject to various debt provisions, contracts and contingencies on how they may be used. The remaining balance $2,963,214 is unrestricted and can be used to meet the Town's ongoing obligations to its citizens and creditors.

At the end of 2020, the Town is able to report positive balances in all net positions.

STATEMENT OF ACTIVITIES

The Statement of Activities takes into consideration the Town as a whole and reflects the change in net position for fiscal year 2020.

	Government Activities		Business Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Program Revenue						
Charges for Services	$ 287,159	399,779	$ 1,118,966	$ 1,069,820	$ 1,406,125	$ 1,469,599
Operating Grants & Contributions	485,907	113,813			485,907	113,813
Capital Grants & Contributions	69,895	17,631	289,283	1,082,934	359,178	1,100,565
Total Program Revenue	842,961	531,223	1,408,249	2,152,754	2,251,210	2,683,977
General Revenues:						
Taxes	2,510,120	2,332,929	458,374	437,918	2,968,494	2,770,847
Franchise Taxes	47,151	46,526			47,151	46,526
Investment Income	5,214	15,747	3,776	9,521	8,990	25,268
Other Revenues	16,771	129,972	21,333	15,429	38,104	145,401
Total General Revenues	2,579,256	2,525,174	483,483	462,868	3,062,739	2,988,042
TOTAL REVENUES	**3,422,217**	**3,056,397**	**1,891,732**	**2,615,622**	**5,313,949**	**5,672,019**
Program Expenses:						
General Government	1,239,188	923,624			1,239,188	923,624
Public Safety	699,397	677,355			699,397	677,355
Public Works	560,905	639,200			560,905	639,200
Parks and Recreation	441,065	426,363			441,065	426,363
Interest on Long Term Debt	11,037	14,842	53,752	57,142	64,789	71,984
Water and Wastewater			1,633,167	1,671,575	1,633,167	1,671,575
TOTAL EXPENSES	**2,951,592**	**2,681,384**	**1,686,919**	**1,728,717**	**4,638,511**	**4,410,101**
Change in Net Position	**$ 470,625**	**$ 375,013**	**$ 204,813**	**$ 886,905**	**$ 675,438**	**$ 1,261,918**
Net Position, Beginning	*7,366,736*	*6,991,723*	*6,432,176*	*5,545,271*	*13,798,912*	*12,536,994*
Net Position, Ending	*7,837,361*	*7,366,736*	*6,636,989*	*6,432,176*	*14,474,350*	*13,798,912*

Governmental Activities

At the end of fiscal year 2020, The Town's governmental activities reported a combined net position of $7,837,361, an increase of $470,625 during fiscal year 2020. The reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of governmental funds to the Statement of Activities can be found on page 5 of the Basic Financial Statements. On the Statement of Revenues, Expenditures and Changes in Fund Balance, the total fund balance for governmental funds is $2,287,815, an increase of $625,015 over 2020 fund balance.

Revenue increased $365,820 or 12% in 2020 compared to 2019 due to additional taxes received in 2020. In 2020, tax related revenue of $2,510,120 comprised 73.3% of total revenues from governmental activities. The Town's major sources of revenue are sales tax, use tax, ownership tax, franchise taxes and grants.

The cost of governmental activities in 2020 was $2,951,592 compared to$2,681,384 in 2019, a 10.1% increase.

Expenses by Type – Governmental Activities

General Government includes Town Board of Trustees, Town Administrator, Town Clerk, Planning & Zoning, Finance and General Administration. Public Safety includes both Law Enforcement and Municipal Court. Parks & Recreation include expenses associated with the Town's Community Center and general park maintenance. Public Works accounts for streets and building maintenance.

Year-to-year changes by type of activity:

	2020	2019	% Change
General Government	**1,239,188**	**923,624**	**34.2%**
Public Safety	**699,397**	**677,355**	**3.3%**
Public Works	**560,905**	**639,200**	**-12.2%**
Parks and Recreation	**441,065**	**426,363**	**3.4%**
Interest on Long Term Debt	**11,037**	**14,842**	**-25.6%**
Total	**$ 2,951,592**	**$ 2,681,384**	**10.1%**

Fund Balance

At the end of 2020, the Town's governmental funds reported a combined (General, Community Center, DDA, Non-Major) fund balance of $2,287,815. This is an increase of $625,015 compared to the prior year's ending balance.

Business Type Activities

At year-end, the business-type activities reported total net position of $6,636,989, an increase of $204,813.

Budgetary Highlights

In the General Fund, revenue was $71,989 less than budgeted. Tax revenue was $109,051 higher than budgeted. Expenditures for the General Fund were $363,609 less than budgeted primarily due to Departments working on a contingency budget.

The Community Center revenues were higher than budget by $15,842 primarily due to additional sales tax revenue. Expenditures were $14,699 under budget due to savings in multiple operating expense lines.

Sewer Fund revenues were higher than budgeted by $26,084 and total expenditures were $445,783 higher than budgeted due to the reporting of negative contra accounts for capital asset additions and debt service payments – a variance noted on the audit report.

Water Fund revenues were higher than budget by $220,193 primarily due to higher than budgeted Plant Investment Fees (PIFs) revenue. Total expenditures were $65,048 more than budgeted primarily due to the reporting of negative contra accounts for capital asset additions and debt service payments – a variance noted on the audit report.

Voters approved a 0.25% sales tax increase in April 2018 to support in town road improvements. The Street Fund revenues were $538 lower than budgeted and expenses were $62,605 under budget due to savings in multiple expense accounts and savings in the capital outlay project.

The Downtown Development Authority revenues were $296,525 less than budgeted and expenses were $816,563 under budget.

Capital Assets and Debt Administration

At year-end, the Town had $15,264,656 invested in a broad range of capital assets including land and improvements, buildings, parks and equipment, vehicles, equipment, and water and sewer plants and distribution and collection systems. This decrease of $840,859, or 5.2% from 2019 is primarily due to depreciation expense.

Capital Assets at Year-End

	Government Activities		Business Activities		Total	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Land	$ 701,805	$ 701,805	$ 11,436	$ 11,436	$ 713,241	$ 713,241
Water Rights	-	-	35,000	35,000	35,000	35,000
Construction in Process	47,612	-	-	-	47,612	558,049
Plant, Land & Building	8,508,536	8,508.537	14,620,886	14,507,162	23,129,422	23,015,699
Equipment	775,541	745,141	776,396	776,396	1,551,937	1,521,537
Transportation Equipment	213,704	206.403	322,129	322,129	535,833	528,532
Less Acc Depreciation	(4,310,140)	(3,939,686)	(6,438,249)	(5,768,808)	(10,748,389)	(9,708,494)
Total Capital Assets	**$ 5,937,058**	**$ 6,222,200**	**$ 9,327,598**	**$ 9,883,315**	**$ 15,264,656**	**$ 16,105,515**

The Community Center made improvements to the facility to address safety concerns related to the pandemic. The Water and Sewer departments continued to make infrastructure improvements including replacing hydrants and starting a grit removal project.

Significant 2020 Capital Asset Additions

Streets-Caterpillar Paver	$ 15,550
Community Center-Replace Johnson Controls FX-40 Unit	14,850
Hydrant Replacement	6,218
Nederland Downtown Sidewalk Improvement Project-(CDOT TIP) Design Phase	47,612
I&I Repairs	52,140
Manhole Repairs & Upgrades	8,575
Grit Removal System	9,345
	$ 154,290

Financial Contact

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department at: PO Box 396, Nederland, Colorado 80466; or telephone (303) 258-3266.

BASIC FINANCIAL STATEMENTS

TOWN OF NEDERLAND, COLORADO

STATEMENT OF NET POSITION
As of December 31, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTALS 2020	TOTALS 2019
ASSETS				
Cash and Investments	$ 1,957,467	$ 2,200,991	$ 4,158,458	$ 3,264,555
Receivables				
Taxes	1,152,279	-	1,152,279	1,104,108
Grants	233,751	-	233,751	72,568
Accounts	-	313,373	313,373	300,592
Other	31,411	-	31,411	138,390
Prepaid Expenses	9,720	133	9,853	2,821
Inventories	-	10,760	10,760	10,760
Interfund Amounts	79,744	(79,744)	-	-
Capital Assets, Not Depreciated	749,417	46,436	795,853	748,241
Capital Assets, Depreciated				
Net of Accumulated Depreciation	5,187,641	9,281,162	14,468,803	15,357,274
TOTAL ASSETS	9,401,430	11,773,111	21,174,541	20,999,309
LIABILITIES				
Accounts Payable	112,926	43,331	156,257	271,588
Accrued Liabilities	46,604	6,682	53,286	70,387
Unearned Revenue	34,563	-	34,563	3,628
Accrued Interest Payable	-	15,615	15,615	16,415
Deposits	81,359	-	81,359	92,161
Noncurrent Liabilities				
Due within One Year	138,918	387,792	526,710	557,335
Due in More Than One Year	248,594	4,682,702	4,931,296	5,302,506
TOTAL LIABILITIES	662,964	5,136,122	5,799,086	6,314,020
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	901,105	-	901,105	886,377
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,564,069	5,136,122	6,700,191	7,200,397
NET POSITION				
Net Investment in Capital Assets	5,549,546	4,294,003	9,843,549	10,287,814
Restricted for Emergencies	106,000	-	106,000	108,000
Restricted for Community Center	222,256	-	222,256	191,596
Restricted for Downtown Development	636,041	-	636,041	636,041
Restricted for Highways and Streets	148,960	-	148,960	100,196
Restricted for Parks and Recreation	13,792	-	13,792	(10,131)
Restricted by Debt Covenant	-	250,000	250,000	245,000
Unrestricted	1,160,766	2,092,986	3,253,752	2,240,396
TOTAL NET POSITION	$ 7,837,361	$ 6,636,989	$ 14,474,350	$ 13,798,912

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 730,601	$ 37,443	$ 366,929	$ -
Administration and Finance	359,267	-	-	-
Municipal Court	23,127	4,313	-	-
Law Enforcement	676,270	29,032	-	-
Planning and Zoning	149,320	149,537	18,930	-
Highway and Streets	560,905	-	59,611	53,867
Parks and Recreation	441,065	66,834	40,437	16,028
Interest on Long Term Debt	11,037	-	-	-
Total Governmental Activities	2,951,592	287,159	485,907	69,895
Business-Type Activities				
Sewer	918,182	631,205	-	72,798
Water	714,985	487,761	-	216,485
Interest on Long-term Debt	53,752	-	-	-
Total Business-Type Activities	1,686,919	1,118,966	-	289,283
Total Primary Government	$ 4,638,511	$ 1,406,125	$ 485,907	$ 359,178

GENERAL REVENUES
- Property Taxes
- Specific Ownership Taxes
- Sales and Use Taxes
- Franchise Taxes
- Interest
- Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS 2020	TOTALS 2019
$ (326,229)	$ -	$ (326,229)	$ (282,031)
(359,267)	-	(359,267)	(368,424)
(18,814)	-	(18,814)	(17,741)
(647,238)	-	(647,238)	(614,707)
19,147	-	19,147	2,084
(447,427)	-	(447,427)	(563,329)
(317,766)	-	(317,766)	(291,171)
(11,037)	-	(11,037)	(14,842)
(2,108,631)	-	(2,108,631)	(2,150,161)
-	(214,179)	(214,179)	566,311
-	(10,739)	(10,739)	(85,132)
-	(53,752)	(53,752)	(57,142)
-	(278,670)	(278,670)	424,037
(2,108,631)	(278,670)	(2,387,301)	(1,726,124)
889,072	-	889,072	803,086
29,185	-	29,185	28,808
1,591,863	458,374	2,050,237	1,938,953
47,151	-	47,151	46,526
5,214	3,776	8,990	25,268
16,771	21,333	38,104	145,401
2,579,256	483,483	3,062,739	2,988,042
470,625	204,813	675,438	1,261,918
7,366,736	6,432,176	13,798,912	12,536,994
$ 7,837,361	$ 6,636,989	$ 14,474,350	$ 13,798,912

TOWN OF NEDERLAND, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2020

			SPECIAL REVENUE	
	GENERAL FUND	COMMUNITY CENTER FUND	DOWNTOWN DEVELOPMENT AUTHORITY	NONMAJOR FUNDS
ASSETS				
Cash and Investments	$ 575,407	$ 274,634	$ 958,236	$ 149,190
Taxes Receivable	654,376	53,107	444,796	-
Grants Receivable	233,751	-	-	-
Other Receivables	13,709	-	-	17,702
Due from Other Funds	203,242	-	-	-
Prepaid Items	9,667	53	-	-
TOTAL ASSETS	$ 1,690,152	$ 327,794	$ 1,403,032	$ 166,892
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 74,385	$ 38,477	$ 64	$ -
Accrued Liabilities	43,704	2,900	-	-
Due to Other Funds	-	29,245	90,113	4,140
Unearned Revenues	-	34,563	-	-
Deposits	81,059	300	-	-
TOTAL LIABILITIES	199,148	105,485	90,177	4,140
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenues - Property Taxes	514,829	-	386,276	-
FUND BALANCES				
Nonspendable	9,667	53	-	-
Restricted for Emergencies	106,000	-	-	-
Restricted for Community Center	-	222,256	-	-
Restricted for Downtown Development	-	-	636,041	-
Restricted for Highways and Streets	-	-	-	148,960
Restricted for Parks and Recreation	-	-	-	13,792
Unassigned	860,508	-	290,538	-
TOTAL FUND BALANCES	976,175	222,309	926,579	162,752
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 1,690,152	$ 327,794	$ 1,403,032	$ 166,892

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.

Some revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unearned revenues in the funds.

Long-term liabilities are not due and payable in the current period and are not reported in the funds. These include long term obligation of ($225,000), capital lease payable ($104,724), and accrued compensated absences ($57,788).

Net position of governmental activities

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

TOTAL GOVERNMENTAL FUNDS	
2020	2019
$ 1,957,467	$ 1,714,892
1,152,279	1,104,108
233,751	11,475
31,411	46,945
203,242	10,131
9,720	2,281
$ 3,587,870	$ 2,889,832
$ 112,926	$ 154,896
46,604	53,876
123,498	27,131
34,563	12,591
81,359	92,161
398,950	340,655
901,105	886,377
9,720	2,281
106,000	108,000
222,256	191,596
636,041	636,041
148,960	100,196
13,792	(10,131)
1,151,046	634,817
2,287,815	1,662,800
5,937,058	6,222,200
-	11,895
(387,512)	(530,159)
$ 7,837,361	$ 7,366,736

TOWN OF NEDERLAND, COLORADO

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

			SPECIAL REVENUE FUNDS	
	GENERAL FUND	COMMUNITY CENTER FUND	DOWNTOWN DEVELOPMENT AUTHORITY	NONMAJOR FUNDS
REVENUES				
Taxes	$ 1,710,458	$ 343,781	$ 388,439	$ 114,594
Licenses and Permits	149,537	-	-	-
Intergovernmental	332,418	40,437	166,918	27,923
Charges for Services	37,443	66,834	-	-
Fines and Forfeitures	33,345	-	-	-
Miscellaneous	6,331	1,498	-	-
Interest	3,031	-	2,118	65
TOTAL REVENUES	2,272,563	452,550	557,475	142,582
EXPENDITURES				
Current				
General Government	433,119	-	201,731	-
Administration and Finance	359,267	-	-	-
Municipal Court	23,127	-	-	-
Law Enforcement	661,453	-	-	-
Planning and Zoning	149,320	-	-	-
Highway and Streets	383,576	-	-	44,175
Parks and Recreation	-	295,126	-	-
Debt Service				
Principal	28,147	105,000	-	3,779
Interest	3,424	6,914	478	221
Capital Outlay	-	14,850	64,728	21,720
TOTAL EXPENDITURES	2,041,433	421,890	266,937	69,895
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	231,130	30,660	290,538	72,687
OTHER FINANCING SOURCES (USES)				
Proceeds from Issuance of Debt	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	231,130	30,660	290,538	72,687
FUND BALANCES, Beginning	745,045	191,649	636,041	90,065
FUND BALANCES, Ending	$ 976,175	$ 222,309	$ 926,579	$ 162,752

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

TOTAL GOVERNMENTAL FUNDS	
2020	2019
$ 2,557,272	$ 2,379,455
149,537	145,307
567,696	119,549
104,277	209,565
33,345	44,907
7,829	129,972
5,214	15,747
3,425,170	3,044,502
634,850	289,359
359,267	358,270
23,127	21,949
661,453	647,889
149,320	159,798
427,751	506,271
295,126	283,394
136,926	195,371
11,037	14,842
101,298	85,392
2,800,155	2,562,535
625,015	481,967
-	53,434
-	53,434
625,015	535,401
1,662,800	1,127,399
$ 2,287,815	$ 1,662,800

TOWN OF NEDERLAND, 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	$	625,015
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($370,454), exceeds capital outlay $85,312, in the current period.		(285,142)
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. These include debt payments $136,926, gain on debt forgiveness $8,942, and change in accrued compensated absences of ($3,221).		142,647
Some accounts receivable will be collected after year end, but are reported as unearned revenues in the governmental funds because they are not available soon enough to pay for the current period's expenditures.		(11,895)
Change in Net Position of Governmental Activities	$	470,625

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

TOWN OF NEDERLAND, COLORADO

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

			TOTALS	
ASSETS	SEWER	WATER	2020	2019
Current Assets				
Cash and Investments	$ 747,111	$ 1,453,880	$ 2,200,991	$ 1,549,663
Accounts Receivable	173,831	139,542	313,373	300,592
Grants Receivable	-	-	-	61,093
Other Receivables	-	-	-	91,445
Due from Other Funds	-	90,113	90,113	17,000
Inventories	-	10,760	10,760	10,760
Prepaid Expense	66	67	133	540
Total Current Assets	921,008	1,694,362	2,615,370	2,031,093
Noncurrent Assets				
Capital Assets, net of accumulated depreciation	6,491,520	2,836,078	9,327,598	9,883,315
Total Noncurrent Assets	6,491,520	2,836,078	9,327,598	9,883,315
TOTAL ASSETS	7,412,528	4,530,440	11,942,968	11,914,408
LIABILITIES				
Current Liabilities				
Accounts Payable	34,401	8,930	43,331	116,692
Accrued Liabilities	3,341	3,341	6,682	16,511
Due to Other Funds	89,051	80,806	169,857	-
Unearned Revenue	-	-	-	2,932
Accrued Interest Payable	11,259	4,356	15,615	16,415
Current Portion of Long-term Debt	269,799	117,993	387,792	411,468
Total Current Liabilities	407,851	215,426	623,277	564,018
Noncurrent Liabilities				
Loans Payable	3,471,212	1,174,591	4,645,803	4,876,074
Loan Premium	21,301	-	21,301	23,266
Compensated Absences	7,799	7,799	15,598	18,874
Total Noncurrent Liabilities	3,500,312	1,182,390	4,682,702	4,918,214
TOTAL LIABILITIES	3,908,163	1,397,816	5,305,979	5,482,232
NET POSITION				
Net Investment in Capital Assets	2,750,509	1,543,494	4,294,003	4,595,773
Restricted	130,000	120,000	250,000	245,000
Unreserved	623,856	1,469,130	2,092,986	1,591,403
TOTAL NET POSITION	$ 3,504,365	$ 3,132,624	$ 6,636,989	$ 6,432,176

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

TOWN OF NEDERLAND, COLORADO

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

			TOTALS	
	SEWER	WATER	2020	2019
OPERATING REVENUES				
Charges for Services	$ 631,205	$ 487,761	$ 1,118,966	$ 1,069,820
TOTAL OPERATING REVENUES	631,205	487,761	1,118,966	1,069,820
OPERATING EXPENSES				
Personnel	222,172	204,832	427,004	449,339
Operations	281,374	255,348	536,722	556,560
Depreciation	414,636	254,805	669,441	665,676
TOTAL OPERATING EXPENSES	918,182	714,985	1,633,167	1,671,575
OPERATING INCOME	(286,977)	(227,224)	(514,201)	(601,755)
NON-OPERATING REVENUES (EXPENSES)				
Sales and Use Taxes	229,187	229,187	458,374	437,918
Grants	11,735	11,735	23,470	776,241
Interest Income	1,064	2,712	3,776	9,521
Miscellaneous	-	21,333	21,333	15,429
Interest Expense	(26,163)	(27,589)	(53,752)	(57,142)
TOTAL NON-OPERATING REVENUES (EXPENSES)	215,823	237,378	453,201	1,181,967
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(71,154)	10,154	(61,000)	580,212
TRANSFERS AND CAPITAL CONTRIBUTIONS				
Plant Investment Fees	58,063	197,150	255,213	293,443
Tap Fees	3,000	7,600	10,600	13,250
TOTAL CAPITAL CONTRIBUTIONS	61,063	204,750	265,813	306,693
CHANGE IN NET POSITION	(10,091)	214,904	204,813	886,905
NET POSITION, Beginning	3,514,456	2,917,720	6,432,176	5,545,271
NET POSITION, Ending	$ 3,504,365	$ 3,132,624	$ 6,636,989	$ 6,432,176

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

TOWN OF NEDERLAND, COLORADO

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

	SEWER	WATER	TOTALS 2020	TOTALS 2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 621,469	$ 481,783	$ 1,103,252	$ 1,030,077
Cash Paid to Employees	(228,724)	(211,385)	(440,109)	(440,285)
Cash Paid to Suppliers	(258,870)	(259,361)	(518,231)	(659,390)
Net Cash Provided by Operating Activities	133,875	11,037	144,912	(69,598)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Sales Taxes Received	229,187	229,187	458,374	437,918
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Grants Received	72,828	11,735	84,563	888,907
Other Revenue Received	-	21,333	21,333	15,429
Capital Contributions	61,063	204,750	265,813	306,693
Purchase of Capital Assets	(107,506)	(6,218)	(113,724)	(2,029,683)
Payments (to) from Other Funds	89,051	7,693	96,744	(391,206)
Proceeds from Issuance of Long-term Debt	144,521	-	144,521	1,270,007
Loan Payments	(282,800)	(115,668)	(398,468)	(309,533)
Interest Payments	(28,564)	(27,953)	(56,517)	(59,948)
Net Cash Used by Capital and Related Financing Activities	(51,407)	95,672	44,265	(309,334)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	1,065	2,712	3,777	9,521
Net Increase (Decrease) in Cash and Cash Equivalents	312,720	338,608	651,328	68,507
CASH AND CASH EQUIVALENTS, Beginning	434,391	1,115,272	1,549,663	1,481,156
CASH AND CASH EQUIVALENTS, Ending	$ 747,111	$ 1,453,880	$ 2,200,991	$ 1,549,663
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income	$ (286,977)	$ (227,224)	$ (514,201)	$ (601,755)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities				
Depreciation	414,636	254,805	669,441	665,676
Changes in Assets and Liabilities				
Accounts Receivable	(9,736)	(3,046)	(12,782)	(40,478)
Other Receivable	91,445	-	91,445	-
Prepaid Expense	204	203	407	(540)
Accounts Payable	(69,145)	(4,216)	(73,361)	(102,290)
Accrued Liabilities	(4,914)	(4,915)	(9,829)	4,782
Unearned Revenue	-	(2,932)	(2,932)	735
Accrued Compensated Absences	(1,638)	(1,638)	(3,276)	4,272
Total Adjustments	420,852	238,261	659,113	532,157
Net Cash Provided by Operating Activities	$ 133,875	$ 11,037	$ 144,912	$ (69,598)

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

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The Town of Nederland, Colorado (the "Town") was incorporated in 1874 and is governed by a Mayor and six-member council elected by the residents.

The accounting policies of the Town of Nederland, Colorado 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 Nederland 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 includes the following organization in its reporting entity:

Downtown Development Authority - The Nederland Downtown Development Authority (the Authority") was established by the Town's Board of Trustees to halt and prevent deterioration of property values within its district and to assist in the development and redevelopment of its district and to use its power to promote the general welfare of the district by use of its direct and supplemental powers. The Authority has a separate Board with members appointed by the Town's Board of Trustees. Although the Authority is legally separate from the Town, the Authority's primary revenue source, property taxes, can only be levied by the Town. The Authority is reported as a blended component unit of the Town.

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.

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

Government-Wide and Fund Financial Statements (Continued)

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.

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 *Community Center Fund* accounts for the operations, capital improvements, and debt service for the Town's Community Center.

The *Downtown Development Fund* is a special revenue fund that accounts for the operations, capital improvements, and debt service for the Nederland Downtown Development Authority.

The Town reports the following major proprietary funds:

The *Sewer Fund* accounts for the financial activities associated with the provision of sewer services.

The *Water Fund* accounts for the financial activities associated with the provision of water services.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Infrastructure assets used to support governmental activities, which include streets, bridges, sidewalks, drainage systems and trails, are excluded from the financial statements except for additions since January 1, 2004. 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. Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

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:

Land Improvements	20 years
Building	40 years
Utility Plants	20-50 years
Machinery and Equipment	5-10 years
Vehicles	5-10 years

Compensated Absences

Employees of the Town are allowed to accumulate paid time off to a maximum of 320 hours. Upon retirement or separation from the Town, employees will be paid for any accumulated paid time off.

These compensated absences are recognized as current salary costs when earned in the proprietary funds and when paid in the governmental funds. 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 and discounts 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.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "Internal Amounts". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

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 future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to assets, 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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

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

Property Taxes

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

Net Position

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. The Town considers amounts required by the debt covenant to be restricted in the Water and Sewer Funds.

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 spendable in form or are legally or contractually required to be maintained intact. At December 31, 2020, the Town reports prepaid items as nonspendable.

- 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 and amounts held by the Community Center Fund, Conservation Trust Fund, and the Downtown Development Authority as being restricted because their use is restricted by State Statute for declared emergencies, and for parks and recreation, and for urban renewal.

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

Fund Balance Classification (Continued)

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. These amounts cannot be used for any other purpose unless the Board of Trustees 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 did not have any committed resources as of December 31, 2020.

- 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 resources.

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 Board of Trustees 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 Board of Trustees.

- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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

State Compliance

At December 31, 2020 actual expenditures in the Sewer Fund exceeded budgeted amounts by $445,783. Actual expenditures in the Water Fund exceeded budgeted amounts by $65,048. This may be a violation of State statute.

NOTE 3: ***DEPOSITS AND INVESTMENTS***

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

Petty Cash	$ 547
Cash Deposits	4,157,911
Total	**$ 4,158,458**

Cash and investments are reported in the financial statements as follows:

Governmental Activities	$ 1,957,467
Business-type Activities	2,200,991
Total	**$ 4,158,458**

Deposits

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 no policy regarding custodial credit risk for deposits.

At December 31, 2020, the Town had deposits with financial institutions with a carrying amount of $4,157,911. The bank balances with the financial institutions were $4,299,474. Of these balances, $500,000 was covered by federal depository insurance and $3,799,474 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

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

Investments

Interest Rate Risk

The Town has a formal investment policy that limits interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily with durations of no longer than five years, money market mutual funds, or similar investment pools.

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 had no investments at December 31, 2020.

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 and Sites	$ 701,805	$ -	$ -	$ 701,805
Construction in Process	-	47,612	-	47,612
Total Capital Assets, not depreciated	701,805	47,612	-	749,417
Capital Assets, depreciated				
Land Improvements	480,265	-	-	480,265
Infrastructure	2,542,399	-	-	2,542,399
Buildings	5,485,873	-	-	5,485,873
Transportation Equipment	206,403	7,300	-	213,703
Other Equipment	745,141	30,400	-	775,541
Total Capital Assets, depreciated	9,460,081	37,700	-	9,497,781
Less Accumulated Depreciation				
Land Improvements	299,205	23,170	-	322,375
Infrastructure	898,528	117,647	-	1,016,175
Buildings	2,072,774	190,539	-	2,263,313
Transportation Equipment	200,412	9,300	-	209,712
Other Equipment	468,767	29,798	-	498,565
Total Accumulated Depreciation	3,939,686	370,454	-	4,310,140
Total Capital Assets, depreciated, Net	5,520,395	(332,754)	-	5,187,641
Governmental Activities, Capital Assets, Net	**$ 6,222,200**	**$ (285,142)**	**$ -**	**$ 5,937,058**

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

Governmental Activities	
General Government	$ 76,544
Law Enforcement	14,817
Highway and Streets	133,154
Community Center	138,912
Parks and Recreation	7,027
Total	**$ 370,454**

NOTE 4: *CAPITAL ASSETS* (Continued)

	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
Business-Type Activities				
Capital Assets, not depreciated				
Land	$ 11,436	$ -	$ -	$ 11,436
Water Rights	35,000	-	-	35,000
Total Capital Assets, not depreciated	46,436	-	-	46,436
Capital Assets, depreciated				
Plant and Infrastructure	14,507,162	113,724	-	14,620,886
Equipment	776,396	-	-	776,396
Transportation Equipment	322,129	-	-	322,129
Total Capital Assets, depreciated	15,605,687	113,724	-	15,719,411
Less: Accumulated Depreciation				
Plant and Infrastructure	4,978,602	604,961	-	5,583,563
Equipment	507,060	53,384	-	560,444
Transportation Equipment	283,146	11,096	-	294,242
Total Accumulated Depreciation	5,768,808	669,441	-	6,438,249
Total Capital Assets, depreciated, Net	9,836,879	(555,717)	-	9,281,162
Business-Type Activities, Capital Assets, Net	**$ 9,883,315**	**$ (555,717)**	**$ -**	**$ 9,327,598**

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

Business-Type Activities	
Sewer Fund	$ 414,636
Water Fund	254,805
Total	**$ 669,441**

NOTE 5: ***INTERFUND BALANCES AND TRANSFERS***

Advances to Other Funds

During 2020, the Town loaned the Downtown Development Authority $416,310. During 2020, the Downtown Development Authority paid $326,197, toward the balance. At December 31, 2020, the outstanding balance is $90,113.

Due to and Due from Other Funds

The balances reported as Due to and Due from Other Funds are the result the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. It is anticipated that these amounts will clear after year end.

NOTE 6: 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
Debt from Direct Borrowings					
Direct Placements					
2013 General Obligation Refunding Bonds	$ 330,000	$ -	$ 105,000	$ 225,000	$ 110,000
Land Purchase Note	12,720	-	12,720	-	-
Capital Lease	132,872	-	28,148	104,724	28,918
Compensated Absences	54,567	3,221	-	54,567	-
Total	**$ 530,159**	**$ 3,221**	**$ 145,868**	**$ 387,512**	**$ 138,918**

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

NOTE 6: ***LONG-TERM DEBT*** (Continued)

2013 General Obligation Refunding Bonds

In July 2013, the Town issued General Obligation Refunding Bonds in the amount of $960,000 to refund the 2003 General Obligation Bonds. Interest accrues on the bonds at a rate of 2.095% per annum. Interest payments are due on June 1 and December 1. Principal payments are due on December 1, through 2022.

Land Purchase Note

During 2000, the Town entered into a loan agreement to purchase land for $152,500. Quarterly principal and interest payments of $4,000 are required through October 2020, including interest accruing at 6.3%. All payments were be made from the Conservation Trust Fund.

Capital Lease

In January 2017, the Town entered into a capital lease agreement for the purchase of equipment. The lease carries an interest rate of 2.72%. The Town is required to make semi-annual lease payments in the amount of $15,785 through January 2024.

Annual debt service requirements for the outstanding notes and bonds at December 31, 2020 are as follows:

Year Ended December 31,	Principal	Interest	Total
2021	$ 110,000	$ 4,714	$ 114,714
2022	115,000	2,409	117,409
Total Debt Service Requirements	**$ 225,000**	**$ 7,123**	**$ 232,123**

Following is a schedule of the future minimum lease payments required under the capital lease obligation at December 31, 2020:

Year Ended December 31,	
2021	$ 31,571
2022	31,571
2023	31,571
2024	15,785
Less: Interest	(5,774)
Present Value of Minimum Lease Payments	**$ 104,724**

NOTE 6: ***LONG-TERM DEBT*** (Continued)

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
Debt from Direct Borrowings					
Direct Placements					
CWRPDA Loan – Water	$ 1,408,252	$ -	$ 115,668	$ 1,292,584	$ 117,993
CWRPDA Loan – Sewer	2,526,172	-	193,664	2,332,508	193,664
CWRPDA Premium	23,266	-	1,965	21,301	-
CWRPDA Biosolids Loan – Sewer	1,353,118	144,521	89,136	1,408,503	76,135
Compensated Absences	18,874	-	3,276	15,598	-
Total	**$ 5,329,682**	**$ 144,521**	**$ 403,709**	**$ 5,070,494**	**$ 387,792**

CWRPDA Loan - Water

On January 30, 2009, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority ("CWRPDA"). Loan proceeds were used to finance the cost of upgrades and improvements to the Town's water treatment facility. Payments of principal and interest are due semi-annually on May 1 and November 1, beginning on May 1, 2011, through November 2030. Interest accrues at 2% per annum. This loan is payable from a 1% sales and use tax, and from revenues of the water utility system after deducting operation and maintenance expenses.

CWRPDA Biosolids Loan - Sewer

In November 2018, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority ("CWRPDA"). Loan proceeds up to a maximum principal amount of $2,000,000 will be used to finance the construction of biosolids improvements at the wastewater treatment plant. This loan will be made on a draw down basis as requested by the Town. For the years ended December 31, 2018, 2019 and 2020, the Town has requested $286,943, $1,074,508, and $144,521, respectively.

Payments of principal and interest are due semi-annually, beginning on November 1, 2019, through May 2039. Interest does not accrue on the loan if the finally constructed project is certified as a Green Project. If the project is not certified as a Green Project, interest will accrue at a rate of 2%.

NOTE 6: ***LONG-TERM DEBT*** (Continued)

Future Debt Service Requirements

Annual debt service requirements for the outstanding bonds at December 31, 2020 are as follows:

Year Ended December 31,	Principal	Interest	Total
2021	387,792	52,346	440,138
2022	390,164	49,037	439,201
2023	392,585	45,725	438,310
2024	395,052	42,449	437,501
2025	397,569	39,200	436,769
2026 - 2030	2,050,831	138,521	2,189,352
2031 – 2035	753,129	14,742	767,871
2036 - 2039	266,473	-	266,473
Total Debt Service Requirements	**$ 5,033,595**	**$ 382,020**	**$ 5,415,615**

NOTE 7: ***EMPLOYEE PENSION PLAN***

Deferred 457 Compensation Plan

The Town offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan is available to all employees and permits them to defer a portion of their salary until future years. The Board of Trustees determines the Town's contributions to the plan, currently a matching contribution up to a maximum of 4% of each employee's salary. During the years ended December 31, 2020 and 2019, the Town contributed $34,432 and $34,393, respectively, to the plan. The plan is administered by the International City/County Management Association Retirement Corporation (ICMA-RC), and all plan assets are held in trust for the exclusive benefit of the participants.

NOTE 8: ***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, 1996, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town in 1996 and subsequent years for street improvement projects, capital projects, basic municipal services and/or lawful municipal purposes, notwithstanding the provisions of the Amendment.

NOTE 8: ***COMMITMENTS AND CONTINGENCIES*** (Continued)

Tabor Amendment (Continued)

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 $106,000 was recorded as a restriction of fund balance in the General Fund.

NOTE 9: SUBSEQUENT EVENTS

Potential subsequent events were considered through July 27, 2021. It was determined that no events are required to be disclosed through this date.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF NEDERLAND, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Taxes	$ 1,601,407	$ 1,710,458	$ 109,051	$ 1,584,084
Licenses and Permits	173,650	149,537	(24,113)	145,307
Intergovernmental	362,450	332,418	(30,032)	98,183
Charges for Services	77,500	37,443	(40,057)	92,004
Fines and Forfeitures	116,545	33,345	(83,200)	44,907
Miscellaneous	5,000	6,331	1,331	126,841
Interest	8,000	3,031	(4,969)	9,295
TOTAL REVENUES	2,344,552	2,272,563	(71,989)	2,100,621
EXPENDITURES				
Current				
General Government	523,363	433,119	90,244	233,300
Administration and Finance	389,557	359,267	30,290	358,270
Municipal Court	25,725	23,127	2,598	21,949
Law Enforcement	761,982	661,453	100,529	647,889
Planning and Zoning	147,240	149,320	(2,080)	159,798
Highway and Streets	525,604	383,576	142,028	442,996
Capital Outlay	-	-	-	4,999
Debt Service				
Principal	28,147	28,147	-	27,397
Interest	3,424	3,424	-	4,174
TOTAL EXPENDITURES	2,405,042	2,041,433	363,609	1,900,772
NET CHANGE IN FUND BALANCE	(60,490)	231,130	291,620	199,849
FUND BALANCES, Beginning	413,108	745,045	331,937	545,196
FUND BALANCES, Ending	$ 352,618	$ 976,175	$ 623,557	$ 745,045

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

DOWNTOWN DEVELOPMENT AUTHORITY
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Taxes	$ 331,000	$ 388,439	$ 57,439	$ 357,453
Intergovernmental	520,000	166,918	(353,082)	11,475
Interest	3,000	2,118	(882)	6,452
TOTAL REVENUES	854,000	557,475	(296,525)	375,380
EXPENDITURES				
General Government	38,500	201,731	(163,231)	56,059
Debt Service				
Principal Payments	500,000	-	500,000	53,434
Interest Expense	25,000	478	24,522	200
Capital Outlay	520,000	64,728	455,272	36,293
TOTAL EXPENDITURES	1,083,500	266,937	816,563	145,986
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(229,500)	290,538	520,038	229,394
NET CHANGE IN FUND BALANCE	(229,500)	290,538	520,038	282,828
FUND BALANCE, Beginning	531,687	636,041	104,354	353,213
FUND BALANCE, Ending	$ 302,187	$ 926,579	$ 624,392	$ 636,041

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

COMMUNITY CENTER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020 ORIGINAL AND FINAL BUDGET	2020 ACTUAL	2020 VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Sales and Use Taxes	$ 322,902	$ 343,781	$ 20,879	$ 328,439
Intergovernmental	-	40,437	40,437	-
Charges for Services	113,156	66,834	(46,322)	117,561
Miscellaneous	650	1,498	848	3,131
TOTAL REVENUES	436,708	452,550	15,842	449,131
EXPENDITURES				
Community Center	317,175	295,126	22,049	283,394
Debt Service				
Principal	105,000	105,000	-	100,000
Interest	6,914	6,914	-	9,008
Capital Outlay	7,500	14,850	(7,350)	44,100
TOTAL EXPENDITURES	436,589	421,890	14,699	436,502
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	119	30,660	30,541	12,629
FUND BALANCE, Beginning	130,336	191,649	61,313	179,020
FUND BALANCE, Ending	$ 130,455	$ 222,309	$ 91,854	$ 191,649

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

TOWN OF NEDERLAND, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2020

	SPECIAL REVENUE		TOTALS	
	CONSERVATION TRUST FUND	STREET FUND	2020	2019
ASSETS				
Cash and Investments	$ 13,792	$ 135,398	$ 149,190	$ 80,420
Other Receivables	-	17,702	17,702	31,671
TOTAL ASSETS	$ 13,792	$ 153,100	$ 166,892	$ 112,091
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to Other Funds	$ -	$ 4,140	$ 4,140	$ 10,131
Unearned Revenues	-	-	-	11,895
TOTAL LIABILITIES	-	4,140	4,140	22,026
FUND BALANCES				
Restricted	13,792	148,960	162,752	90,065
TOTAL LIABILITES AND FUND BALANCES	$ 13,792	$ 153,100	$ 166,892	$ 112,091

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

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

	SPECIAL REVENUE			
	CONSERVATION TRUST FUND	STREET FUND	TOTALS 2020	TOTALS 2019
REVENUES				
Taxes	$ -	$ 114,594	$ 114,594	$ 109,479
Intergovernmental	27,923	-	27,923	9,891
Interest	-	65	65	-
TOTAL REVENUES	27,923	114,659	142,582	119,370
EXPENDITURES				
Highway and Streets	-	44,175	44,175	63,275
Debt Service				
Principal	3,779	-	3,779	14,540
Interest	221	-	221	1,460
Capital Outlay	-	21,720	21,720	-
TOTAL EXPENDITURES	4,000	65,895	69,895	79,275
CHANGE IN FUND BALANCES	23,923	48,764	72,687	40,095
FUND BALANCES, Beginning	(10,131)	100,196	90,065	49,970
FUND BALANCES, Ending	$ 13,792	$ 148,960	$ 162,752	$ 90,065

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Intergovernmental	$ 16,000	$ 27,923	$ 11,923	$ 5,736
TOTAL REVENUES	16,000	27,923	11,923	5,736
EXPENDITURES				
Parks and Recreation	16,000	4,000	12,000	16,000
NET CHANGE IN FUND BALANCE	-	23,923	23,923	(10,264)
FUND BALANCE, Beginning	-	(10,131)	(10,131)	133
FUND BALANCE, Ending	$ -	$ 13,792	$ 13,792	$ (10,131)

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

STREET FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Taxes	$ 107,940	$ 114,594	$ 6,654	$ 109,479
Intergovernmental	7,257	-	(7,257)	4,155
Interest	-	65	65	-
TOTAL REVENUES	115,197	114,659	(538)	113,634
EXPENDITURES				
Highway and Streets	88,500	44,175	44,325	63,275
Capital Outlay	40,000	21,720	18,280	-
TOTAL EXPENDITURES	128,500	65,895	62,605	63,275
NET CHANGE IN FUND BALANCE	(13,303)	48,764	62,067	50,359
FUND BALANCE, Beginning	57,203	100,196	42,993	49,837
FUND BALANCE, Ending	$ 43,900	$ 148,960	$ 105,060	$ 100,196

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

SEWER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Charges for Services	$ 634,440	$ 631,205	$ (3,235)	$ 601,475
Sales and Use Taxes	214,730	229,187	14,457	218,959
Grants	-	11,735	11,735	776,241
Interest	4,000	1,064	(2,936)	1,242
Tap Fees	5,000	3,000	(2,000)	6,750
Plant Investment Fees	50,000	58,063	8,063	117,321
TOTAL REVENUES	908,170	934,254	26,084	1,721,988
EXPENDITURES				
Personnel	262,062	222,172	39,890	224,668
Operations	289,624	281,374	8,250	299,316
Capital Outlay	-	107,506	(107,506)	1,987,958
Depreciation Expense	311,000	414,636	(103,636)	411,492
Debt Service				
Principal	-	282,800	(282,800)	196,144
Interest and Fiscal Charges	26,182	26,163	19	27,273
TOTAL EXPENDITURES	888,868	1,334,651	(445,783)	3,146,851
NET INCOME, Budget Basis	$ 19,302	(400,397)	$ (419,699)	(1,424,863)
GAAP BASIS ADJUSTMENTS				
Loan Principal Payments		282,800		196,144
Capital Outlay		107,506		1,987,958
NET INCOME, GAAP Basis		(10,091)		759,239
NET POSITION, Beginning		3,514,456		2,755,217
NET POSITION, Ending		$ 3,504,365		$ 3,514,456

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020 ORIGINAL AND FINAL BUDGET	2020 ACTUAL	2020 VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Charges for Services	$ 474,555	$ 487,761	$ 13,206	$ 468,345
Sales and Use Taxes	214,730	229,187	14,457	218,959
Grants	-	11,735	11,735	-
Interest	6,000	2,712	(3,288)	8,279
Tap Fees	5,000	7,600	2,600	6,500
Plant Investment Fees	37,000	197,150	160,150	176,122
Miscellaneous	-	21,333	21,333	15,429
TOTAL REVENUES	737,285	957,478	220,193	893,634
EXPENDITURES				
Personnel	230,303	204,832	25,471	224,671
Operations	291,520	255,348	36,172	257,244
Capital Outlay	-	6,218	(6,218)	41,724
Depreciation Expense	250,000	254,805	(4,805)	254,184
Debt Service				
Principal	-	115,668	(115,668)	113,389
Interest and Fiscal Charges	27,589	27,589	-	29,869
TOTAL EXPENDITURES	799,412	864,460	(65,048)	921,081
NET INCOME, Budget Basis	$ (62,127)	93,018	$ 155,145	(27,447)
GAAP BASIS ADJUSTMENTS				
Principal Payments on Long Term Debt		115,668		113,389
Capital Outlay		6,218		41,724
NET INCOME, GAAP Basis		214,904		127,666
NET POSITION, Beginning		2,917,720		2,790,054
NET POSITION, Ending		$ 3,132,624		$ 2,917,720

See the accompanying independent auditors' report.

STATE COMPLIANCE

Annual Highway Finance Report - CY20

Email address:	acctg@nederlandco.org
City/County:	Nederland

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes

A. Receipts from local sources

2. General Fund Appropriations:	$	652,575.00
3. Other local imposts: *from A.3. 'Total' below)*	$	26,965.00
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	29,132.00
5. Transfers from toll facilities	$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	$	0.00
b. Bonds - Refunding Issues:	$	0.00
c. Notes:	$	0.00
SubTotal:	$	708,672.00

B. Private Contributions	$	0.00

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes (Detail)

A.3. Other local imposts

a. Property Taxes &and Assessments	$ 0.00
b. Other Local Imposts	
1. Sales Taxes:	$ 0.00
2. Infrastructure and Impact Fees:	$ 0.00
3. Liens:	$ 0.00
4. Licenses:	$ 0.00
5. Specific Ownership and/or Other:	$ 26,965.00
Total: *(a + b) carried to 'Other local imposts' above)*	$ 26,965.00

A.4. Miscellaneous local receipts

a. Interest on Investments:	$ 0.00
b. Traffic fines and Penalities:	$ 20,875.00
c. Parking Garage Fees:	$ 0.00
d. Parking Meter Fees:	$ 0.00
e. Sale of Surplus Property:	$ 0.00
f. Charges for Services:	$ 0.00
g. Other Misc. Receipts:	$ 8,257.00
h. Other:	$ 0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$ 29,132.00

C. Receipts from State Government

1. Highway User Taxes:	$ 51,050.00
3. Other State funds:	
c. Motor Vehicle Registrations:	$ 103,274.00
d. Other (Specify): Comments: undefined	$ 0.00
e. Other (Specify): Comments: undefined	$ 0.00
Total: *(1+3c,d,e)*	$ 154,324.00

D. Receipts from Federal Government

2. Other Federal Agencies

a. Forest Service:	$ 0.00
b. FEMA:	$ 0.00
c. HUD:	$ 0.00
d. Federal Transit Administration:	$ 0.00
e. U.S. Corp of Engineers	$ 0.00
f. Other Federal:	$ 0.00
Total: *(2a-f)*	$ 0.00

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$ 0.00
2. Maintenance:	$ 304,518.00
3. Road and street services	
a. Traffic control operations:	$ 0.00
b. Snow and ice removal:	$ 53,887.00
c. Other:	$ 26,118.00
4. General administration and miscellaneous	$ 48,528.00
5. Highway law enforcement and safety	$ 429,945.00
Total: *(A.1-5)*	$ 862,996.00

B. Debt service on local obligations

1. Bonds	
a. Interest	$ 0.00
b. Redemption	$ 0.00
2. Notes	
a. Interest	$ 0.00
b. Redemption	$ 0.00

SubTotal: *(1+2)*	$ 0.00
C. Payments to State for Highways:	$ 0.00
D. Payments to Toll Facilities:	$ 0.00
Total Disbursements: *(A+B+C+D)*	$ 862,996.00

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes - (Detail)

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	$ 0.00	$ 0.00	$ 0.00
b. Engineering Costs:	$ 0.00	$ 0.00	$ 0.00
c. Construction			
1. New Facilities:	$ 0.00	$ 0.00	$ 0.00
2. Capacity Improvements:	$ 0.00	$ 0.00	$ 0.00
3. System Preservation:	$ 0.00	$ 0.00	$ 0.00
4. System Enhancement:	$ 0.00	$ 0.00	$ 0.00
5. Total Construction:			$ 0.00
d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*			$ 0.00

Receipts, Disbursements & Costs

IV. Local Highway Debt Status

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	$ 0.00	$ 0.00	$ 0.00	$ 0.00
1. Bonds (Refunding Portion)		$ 0.00	$ 0.00	$ 0.00
B. Notes (Total):	$ 0.00	$ 0.00	$ 0.00	$ 0.00

Receipts, Disbursements & Costs

V - Local Road & Street Fund Balance

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
$ 0.00	$ 862,996.00	$ 862,996.00	$ 0.00	$ 0.00

Notes and Comments:

undefined

Please enter your name: Rita Six

Please provide a telephone number where you may be reached: 303-258-3266x1020