

**TOWN OF OAK CREEK
OAK CREEK, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

**TOWN OF OAK CREEK, COLORADO
BOARD OF TRUSTEES
December 31, 2020**

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FINANCIAL SECTION

Town of Oak Creek

Management Discussion and Analysis

December 31, 2020

The discussion and analysis of the Town of Oak Creek's financial performance provides an overall review of the Town's financial activities for the year ended December 31, 2020. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the financial statements and the notes to the financial statements to broaden their understanding of the Town's financial performance.

Financial Highlights

The Town of Oak Creek's governmental net position increased by \$216,853 and business-type net position increased by \$132,807 for the year.

- The assets of the Town exceeded its liabilities at the close of fiscal year 2020 by \$13,245,795 (*net position*). Of this amount, \$2,698,983 (*unrestricted net position*) may be used to meet the Town's ongoing obligations or unforeseen expenses.
- As of the close of fiscal year 2020, the Town's General Fund reported an ending fund balance of \$420,167 compared to the fiscal year 2019 balance of \$143,812.
- At the end of 2020 unrestricted net position for the proprietary funds (business-type activities) was \$2,287,344 or 78% of total 2020 operating expenses.
- General Fund 2020 revenues decreased by \$201,170 to \$993,453.
- General Fund expenditures decreased in 2020 by \$666,359 to \$717,098.

Using the Basic Financial Statements

The Basic Financial Statements consists of the Management's Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Town of Oak Creek as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. Both provide long and short-term information about the Town's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the Town's operations in more detail. The governmental fund statements tell how general Town services were financed in the short term as well as what remains for future spending. The Town's one governmental fund is the General Fund.

Proprietary fund statements offer short and long-term financial information about the activities that the Town operates as a business. The Town operates four proprietary funds as follows:

- Electric Fund
- Water Fund
- Sewer Fund
- Trash Fund

Town of Oak Creek

Management Discussion and Analysis

December 31, 2020

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Financial Analysis of the Town as a Whole

The Town's total net position was \$13,245,795 as of December 31, 2020 and \$12,896,135 as of December 31, 2019. This represents an increase of \$349,660 or 2.7%.

Government-Wide Financial Statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private businesses. The statements include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Town's net position and how it has changed. The change in net position is important because it tells the reader that for the Town as a whole, the financial position of the Town has improved or diminished. The causes of this change may be the result of various factors, some financial, some not. Non-financial factors include facility conditions, and state or federal government required programs.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes, intergovernmental revenues and taxes (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the Town include: general government, public safety (police), public works, and parks and recreation. The Business-type Activities of the Town of Oak Creek consist of electric, water, sewer, and trash services.

Net Position

Net position might serve over time as a useful indicator of a government's financial position. In the case of the Town of Oak Creek, assets exceeded liabilities by approximately \$13.2 million at the close of 2020.

Town of Oak Creek Management Discussion and Analysis December 31, 2020

Net position of the Town at December 31, 2020 was as follows:

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current Assets	\$ 596,573	\$ 337,657	\$ 2,784,735	\$ 2,411,927	\$ 3,381,308	\$ 2,749,584
Noncurrent Assets	<u>1,638,061</u>	<u>1,723,780</u>	<u>10,161,442</u>	<u>10,401,950</u>	<u>11,799,503</u>	<u>12,125,730</u>
Total Assets	<u>2,234,634</u>	<u>2,061,437</u>	<u>12,946,177</u>	<u>12,813,877</u>	<u>15,180,811</u>	<u>14,875,314</u>
DEFERRED OUTFLOWS	<u>98,308</u>	<u>102,957</u>	<u>-</u>	<u>-</u>	<u>98,308</u>	<u>102,957</u>
LIABILITIES						
Current Liabilities	32,826	73,551	335,920	239,949	368,746	313,500
Noncurrent Liabilities	<u>181,770</u>	<u>230,616</u>	<u>1,301,112</u>	<u>1,397,590</u>	<u>1,482,882</u>	<u>1,628,206</u>
Total Liabilities	<u>214,596</u>	<u>304,167</u>	<u>1,637,032</u>	<u>1,637,539</u>	<u>1,851,628</u>	<u>1,941,706</u>
DEFERRED INFOWS	<u>181,696</u>	<u>140,430</u>	<u>-</u>	<u>-</u>	<u>181,696</u>	<u>140,430</u>
NET POSITION						
Net Investment in Capital Assets	1,461,729	1,525,842	8,860,330	9,004,360	10,322,059	10,530,202
Restricted	63,282	68,563	161,471	154,051	224,753	222,614
Unrestricted	<u>411,639</u>	<u>125,392</u>	<u>2,287,344</u>	<u>2,017,927</u>	<u>2,698,983</u>	<u>2,143,319</u>
Total Net Position	<u>\$ 1,936,650</u>	<u>\$ 1,719,797</u>	<u>\$ 11,309,145</u>	<u>\$ 11,176,338</u>	<u>\$ 13,245,795</u>	<u>\$ 12,896,135</u>

The statement of net position reflects a cash position totaling \$2,819,824 or 18.5% of total assets. The bulk of the Town's resources, \$11.8 million or 78% of total assets, are invested in capital assets. These assets consist of land and improvements, buildings, equipment, and utility system assets. The remaining 3.5% of total assets are receivables or prepaid expenses.

The Town of Oak Creek uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Oak Creek's investment in its capital assets is reported net of related debt, it should be noted that the funds needed to repay this debt must be provided from other sources since, in general, the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position

Governmental activities increased the Town of Oak Creek's net position by \$216,853. This was due to an increase in sales tax revenue and a decrease in expenditures.

Business activities increased the Town's net position by \$132,807.

Town of Oak Creek Management Discussion and Analysis December 31, 2020

A summary of the changes in net position is as follows:

CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
PROGRAM REVENUES						
Charges for Services	\$ 225,674	\$ 205,049	\$ 2,283,276	\$ 2,070,492	\$ 2,508,950	\$ 2,275,541
Operating Grants	70,588	561,365	-	-	70,588	561,365
Capital Grants	161,820	-	25,601	44,082	187,421	44,082
Total Program Revenues	<u>458,082</u>	<u>766,414</u>	<u>2,308,877</u>	<u>2,114,574</u>	<u>2,766,959</u>	<u>2,880,988</u>
GENERAL REVENUES						
Property Taxes	104,030	89,196	-	-	104,030	89,196
Specific Ownership Taxes	6,761	5,993	-	-	6,761	5,993
Sales and Use Taxes	393,927	290,306	-	-	393,927	290,306
Other Taxes	782	675	-	-	782	675
Interest Income	14,019	40,864	43	64	14,062	40,928
Insurance Proceeds	-	-	81,235	8,750	81,235	8,750
Other Revenues	15,853	1,175	-	-	15,853	1,175
Total General Revenues	<u>535,372</u>	<u>428,209</u>	<u>81,278</u>	<u>8,814</u>	<u>616,650</u>	<u>437,023</u>
Total Revenues & Transfers	<u>993,454</u>	<u>1,194,623</u>	<u>2,390,155</u>	<u>2,123,388</u>	<u>3,747,314</u>	<u>3,318,011</u>
PROGRAM EXPENSES						
General Government	164,960	188,659	-	-	164,960	188,659
Public Safety	283,066	279,516	-	-	283,066	279,516
Public Works	106,798	124,687	-	-	106,798	124,687
Culture and Recreation	203,096	184,147	-	-	203,096	184,147
Electric Operations	-	-	1,224,697	1,049,594	1,224,697	1,049,594
Water Operations	-	-	467,168	500,449	467,168	500,449
Sewer Operations	-	-	410,726	404,847	410,726	404,847
Trash Operations	-	-	146,007	138,407	146,007	138,407
Interest	18,681	-	-	-	18,681	-
Total Program Expenses	<u>776,601</u>	<u>777,009</u>	<u>2,248,598</u>	<u>2,093,297</u>	<u>3,025,199</u>	<u>2,870,306</u>
CHANGE IN NET POSITION	216,853	417,614	141,557	30,091	358,410	447,705
Net Position, Beginning	1,719,797	1,302,183	11,167,588	11,146,247	12,887,385	12,448,430
NET POSITION, ENDING	<u>\$ 1,936,650</u>	<u>\$ 1,719,797</u>	<u>\$ 11,309,145</u>	<u>\$ 11,176,338</u>	<u>\$ 13,245,795</u>	<u>12,896,135</u>

Financial Analysis of the Town's Funds

The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the Town's governmental fund is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

General Fund – The General Fund went from a balance of \$143,812 to \$420,167. This increase is principally the result of governmental activity revenue exceeding expenditures. Total General Fund revenues decreased by \$201,170, while expenditures decreased by \$666,359. In 2019 grant revenues as well as expenditures were inflated due to the purchase of the land for Oak Creek Mountain Park.

Town of Oak Creek Management Discussion and Analysis December 31, 2020

Proprietary Funds - Proprietary funds have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the business-type activities of the Town as a whole. The proprietary fund statements, however, will provide a greater level of detail than the information found in the government-wide statements.

Electric Fund – Electric Fund net position increased by \$236,985, following an increase of \$172,042 in 2019. Expenditures increased by \$179,500, including \$42,865 in capital outlay. The cost to purchase power was \$12,417 more than the 2019 cost.

Water Fund – Water Fund net position decreased by \$30,241 after a 2019 decrease of \$84,411.

Sewer Fund – Sewer Fund net position decreased by \$62,212 compared to a decrease of \$53,443 in 2019.

Trash Fund – Trash Fund net position decreased by \$2,975 for the current year, up from a 2019 decrease of \$4,097. The Trash Fund is a tightly run enterprise to benefit the citizens of Oak Creek and includes an annual Clean-Up Day.

Capital Assets

Approximately 13.8% of the Town's capital assets support governmental activities. The majority of the value is invested in land, buildings and improvements.

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$ 665,605	\$ -	\$ -	\$ 665,605
Construction in Progress	-	-	-	-
Total Capital Assets not being Depreciated	<u>665,605</u>	<u>-</u>	<u>-</u>	<u>665,605</u>
Capital Assets being Depreciated:				
Buildings & Improvements	1,609,459	3,750	-	1,613,209
Vehicles & Equipment	<u>735,171</u>	<u>-</u>	<u>-</u>	<u>735,171</u>
Total Capital Assets being Depreciated	<u>2,344,630</u>	<u>3,750</u>	<u>-</u>	<u>2,348,380</u>
Less Accumulated Depreciation:				
Buildings & Improvements	(901,798)	(57,682)	-	(959,480)
Vehicles & Equipment	<u>(384,656)</u>	<u>(40,686)</u>	<u>-</u>	<u>(425,342)</u>
Total Accumulated Depreciation	<u>(1,286,454)</u>	<u>(98,368)</u>	<u>-</u>	<u>(1,384,822)</u>
Net Capital Assets	<u><u>\$ 1,723,781</u></u>	<u><u>\$ (94,618)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,629,163</u></u>

Town of Oak Creek Management Discussion and Analysis December 31, 2020

The Town's business-type activities capital assets consist of its investments in its utility systems and related equipment.

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Business-Type Activities:				
Capital Assets not being Depreciated:				
Construction in Progress - Water System	\$ 125,657	\$ 111,858	\$ -	\$ 237,515
Capital Assets being Depreciated:				
Electrical System	2,313,464	-	-	2,313,464
Water System	7,917,238	-	-	7,917,238
Sewer System	5,926,118	-	-	5,926,118
Total Capital Assets	16,156,820	-	-	16,156,820
Less Accumulated Depreciation:				
Electrical System	(1,795,038)	(36,148)	-	(1,831,186)
Water System	(2,292,365)	(186,840)	-	(2,479,205)
Sewer System	(1,793,124)	(129,378)	-	(1,922,502)
Total Accumulated Depreciation	(5,880,527)	(352,366)	-	(6,232,893)
Net Capital Assets	\$ 10,401,950	\$ (240,508)	\$ -	\$ 10,161,442

Long-Term Debt

The Town's governmental long-term debt consists of capital leases and accrued compensated absences payable. Governmental activities debt transactions for the year were as follows:

	Balance 12/31/19	Advances	Payments	Balance 12/31/20	Current Portion	Interest Paid
2017 Equipment Capital Lease	\$ 45,662	\$ -	\$ 14,540	\$ 31,122	\$ 12,358	\$ 1,293
2018 Equipment Capital Lease	14,186	-	3,169	11,017	3,408	1,073
2019 Equipment Capital Lease	138,090	-	12,795	125,295	13,367	6,170
Accrued Compensated Absences	12,575	1,761	-	14,336	-	-
Totals	\$ 210,513	\$ 1,761	\$ 30,504	\$ 181,770	\$ 29,133	\$ 8,536

The Town's business-type activities long-term debt consists of various bonds and notes payable that were used for system improvements. Business-type activities debt transactions for the year were as follows:

	Balance 12/31/19	Advances	Payments	Balance 12/31/20	Current Portion	Interest Expense
2000 Electric Note Payable	\$ 7,021	\$ -	\$ 7,021	\$ -	\$ -	\$ 83
2003 CWRPDA Water Note	239,615	-	56,393	183,222	58,672	9,026
2010 Sewer Revenue Bonds	1,071,418	-	18,130	1,053,288	18,748	42,380
2017 Equipment Capital Lease	79,537	-	14,935	64,602	14,934	2,482
Totals	\$ 1,397,591	\$ -	\$ 96,479	\$ 1,301,112	\$ 92,354	\$ 53,971

Town of Oak Creek Management Discussion and Analysis December 31, 2020

General Fund Budget

The General Fund accounts for all of the general government services provided by the Town of Oak Creek including: public safety (police), public works, parks and recreation and general government services. The Town's General Fund revenues were \$100,428 more than planned, having sales and use taxes come in almost \$124,000 more than budgeted. The Town's expenditures were \$184,070 less than budgeted, with capital expenditures totaling over \$51,000 less than planned.

ECONOMIC FACTORS AND FUTURE BUDGETS AND RATES

2020 was a year impacted by the worldwide COVID-19 pandemic that impacted nearly everyone on the planet's life. In the rural mountain Town of Oak Creek residents and businesses were impacted by the shutdown of in-person, face-to-face, business and social gatherings. Economically local retail businesses were hit hardest as customers stayed away from restaurants and non-essential retailers. As a provider of essential services, the Town employees maintained these services with a few challenges, and the Town was able to plan for the future. Below are some of the activities and challenges the Town will work on in 2021.

The Town is working with municipalities throughout NW Colorado and the State of Colorado to recover from the impacts of the COVID-19 pandemic to build a more stable and resilient economy. Using a regional approach to economic development, municipal and State officials believe the outcome will accomplish these goals. The new three-county NWCEDC will build upon the past success of the smaller, two-county, Yampa Valley Economic Development Council.

The pending shutdown of the Hayden Station and Craig Station, projected to close over the next nine years, will be a regional loss of many high paying jobs. The loss of these industries are projected to impact the local coal mining industry as coal purchases by these two electric generating stations will end. The communities of NW Colorado and the State of Colorado will be working to find ways to replace these lost jobs and lost income.

The Town's wholly owned Sheriff Reservoir and Dam are being examined by the State's Dam Engineer for required capital improvements. In 2021 the Town will hire consulting engineers to determine what improvements are needed to protect the overflow structure and avoid dam failure during a major hydrological event. Early engineer estimates to address the overflow structure deficiencies are in the \$10 - \$13 million range. Using updated hydrological methods to calculate flooding potential in mountain environments the consulting engineers will work with the State's engineers to determine what capital improvements are needed. Once the engineers reach agreement on the needed improvements, cost estimates will be calculated and the Town will seek grant funding from State and Federal agencies to make these improvements. The consulting engineers will also design the replacement of the dam's outlet infrastructure and replace the 63-year-old equipment. The dam outlet capital replacement construction may take place in 2021, but will be dependent on snowfall, and may be delayed until the spring of 2022.

The Town will work with the Nebraska Municipal Power Pool (NMPP) to examine utility rates for the Town's three utility services, electric, water and sanitary sewer in 2021. Historically the Town has worked with NMPP every 3 – 4 years to review utility rates and ensure the rates support the costs for utility operations, maintenance and capital replacement. This regular review helps Town officials to adjust rates appropriately and for rates to remain stable for utility users.

Town of Oak Creek Management Discussion and Analysis December 31, 2020

The Town's After School and Summer Camp programs provide needed day care for some of South Routt County's families. These successful programs are funded through grants and fees. The grants obtained from several granting agencies and foundations cover many of the employee, transportation and capital needs of these programs and allow for them to continue. In 2021 the Town is projected to serve 8 – 12 Kindergarten through 5th Grade students in the After School program and 25 elementary and middle school students daily in the Summer Camp program.

Sales and use taxes provide approximately 40% of the General Fund revenues supporting general government services, law enforcement, street and stormwater infrastructure maintenance, and park and recreation facilities. Affected by two major factors, 1) the allocation of internet sales taxes based on the place of delivery (South Dakota v. Wayfair, Inc.), and 2) internet sales that may be attributed to people having to shop on the internet due to COVID-19 pandemic restrictions the Town's sales and use tax revenue grew by 35% in 2020. It is unknown how much of this revenue growth is attributed to either factor which makes it difficult to forecast sales and use tax revenue. The Town will continue monitoring these revenues in 2021 for future forecasting.

In 2010 the Town borrowed money from the USDA to fund Sewer Fund projects with an interest rate of 4%. To generate annual savings to the Sewer Fund in 2021 the Town will refund its 2010 USDA Sewer Revenue Bonds to reduce interest rates and reduce debt service payments. The refunding is expected to reduce debt service expense by approximately \$278,540 over the next thirty years, based on a cash flow basis. The Net Present Value Benefit of the refunding is estimated to be \$164,151, equal to 15.67% of the refunded principal.

In 2021 the Town will work with the South Routt School District, Yampa Valley Electric Association and Routt County to bring broadband and gigabyte internet service to the Town's residents and businesses. Funding for construction of this service will mostly be provided through State grant programs with YVEA and the Town's electric utility providing infrastructure. The addition of this highspeed internet service is likely to have a positive impact on the future of the Town as people seek to telecommute to work from home and live in rural communities.

The marijuana industry continues to have a positive revenue impact on the Town's General Fund. License revenue received from this industry in 2020 increased 21.4% over 2019. In 2021 the industry continues to expand in the Town and will likely provide approximately 8.5% of General Fund revenue. The marijuana industry is a major user of electric service and a local employer.

The Town presently has approximately 959 residents, maintaining a relatively stable population during the past ten years. With housing sale prices averaging over \$1-million in Steamboat Springs it is likely that people will develop new homes in Oak Creek. The Town has several development sites available for residential development that could grow the Town's population and provide additional customers for local businesses.

Request for Information

The financial statements are designed to provide information for regulatory reporting to federal and state agencies and those with an interest in the Town's finances. Questions concerning this or any additional information should be addressed to Town Clerk, Town of Oak Creek, P O Box 128, Oak Creek, CO 80467.

Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of Trustees
Town of Oak Creek
Oak Creek, 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 Oak Creek, Colorado, as of and for the year ended December 31, 2020, and the related notes to the financial statements which collectively comprise the basic financial statements of the Town, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 controls. 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.

Opinion

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 Oak Creek, Colorado, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Town of Oak Creek 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 18, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information – Management Discussion and Analysis and Pension Schedules (Unaudited)

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1-M8 and pension schedules on pages 35-36 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.

Required Supplementary Information – Budgetary Comparison Schedules and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 37-39 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. In addition, the combining and individual fund schedules on pages 40-46 and listed as other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The 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.

Such 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 basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The *Local Highway Finance Report* is presented on pages 47-48 for purposes of legal compliance 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayberry + Company, LLC

Englewood, CO
May 10, 2021

BASIC FINANCIAL STATEMENTS

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TOWN OF OAK CREEK, COLORADO

STATEMENT OF NET POSITION
DECEMBER 31, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Investments	\$ 393,606	\$ 2,264,961	\$ 2,658,567
Restricted Cash and Investments	100	161,157	161,257
Receivables			
Property Tax Receivable	103,563	-	103,563
Intergovernmental Receivables	-	5,000	5,000
Utility Receivable	-	353,617	353,617
Cash with Fiscal Agent	818	-	818
Accounts Receivable	82,459	-	82,459
Other Receivables	14,500	-	14,500
Prepaid Expenses	1,527	-	1,527
Total Current Assets	596,573	2,784,735	3,381,308
Noncurrent Assets			
Capital Assets not being Depreciated	665,605	-	665,605
Capital Assets being Depreciated	2,348,380	16,394,335	18,742,715
Accumulated Depreciation	(1,384,822)	(6,232,893)	(7,617,715)
Net Pension Asset	8,898	-	8,898
Total Noncurrent Assets	1,638,061	10,161,442	11,799,503
TOTAL ASSETS	2,234,634	12,946,177	15,180,811
DEFERRED OUTFLOWS OF FINANCIAL RESOURCES			
Deferred Pension Outflows	98,308	-	98,308
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 2,332,942	\$ 12,946,177	\$ 15,279,119
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 19,942	\$ 239,675	\$ 259,617
Accrued Liabilities	2,111	-	2,111
Accrued Salaries and Benefits	9,613	-	9,613
Deposits and Escrow	1,160	78,700	79,860
Accrued Interest Payable	-	17,545	17,545
Total Current Liabilities	32,826	335,920	368,746
Noncurrent Liabilities			
Due within one year	29,133	92,354	121,487
Due in more than one year	152,637	1,208,758	1,361,395
Total Noncurrent Liabilities	181,770	1,301,112	1,482,882
TOTAL LIABILITIES	214,596	1,637,032	1,851,628
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	103,563	-	103,563
Deferred Pension Inflows	38,116	-	38,116
Deferred Grants	40,017	-	40,017
TOTAL DEFERRED INFLOWS	181,696	-	181,696
NET POSITION			
Net Investment in Capital Assets	1,461,729	8,860,330	10,322,059
Restricted Net Position	63,282	161,471	224,753
Unrestricted Net Position	411,639	2,287,344	2,698,983
TOTAL NET POSITION	1,936,650	11,309,145	13,245,795
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 2,332,942	\$ 12,946,177	\$ 15,279,119

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

TOWN OF OAK CREEK

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2020

	PROGRAM REVENUES			
		CHARGES FOR	OPERATING	CAPITAL
	EXPENSES	SERVICES	GRANTS AND	GRANTS
			CONTRIBUTIONS	
FUNCTIONS/PROGRAMS				
Government Activities				
Current:				
General Government	\$ 164,960	\$ 202,342	\$ 22,726	\$ 161,820
Public Safety	283,066	2,012	5,013	-
Public Works	106,798	-	30,100	-
Culture and Recreation	203,096	21,320	12,749	-
Interest on Debt	18,681	-	-	-
TOTAL GOVERNMENT ACTIVITIES	<u>776,601</u>	<u>225,674</u>	<u>70,588</u>	<u>161,820</u>
Business-type Activities				
Current:				
Electric	1,224,697	1,386,347	-	-
Water	467,168	421,806	-	15,121
Sewer	410,726	337,991	-	10,480
Trash	146,007	137,132	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	<u>2,248,598</u>	<u>2,283,276</u>	<u>-</u>	<u>25,601</u>
TOTAL GOVERNMENT	<u>\$ 3,025,199</u>	<u>\$ 2,508,950</u>	<u>\$ 70,588</u>	<u>\$ 187,421</u>
GENERAL REVENUES				
Property Taxes				
Specific Ownership Taxes				
Sales and Use Taxes				
Other Taxes				
Interest Income				
Insurance Proceeds				
Other Revenues				
TOTAL GENERAL REVENUES AND TRANSFERS				
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 CHANGES IN NET POSITION		
GOVERNMENT ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
\$ 221,928	\$ -	\$ 221,928
(276,041)	-	(276,041)
(76,698)	-	(76,698)
(169,027)	-	(169,027)
(18,681)	-	(18,681)
<u>(318,519)</u>	<u>-</u>	<u>(318,519)</u>
-	161,650	161,650
-	(30,241)	(30,241)
-	(62,255)	(62,255)
-	(8,875)	(8,875)
<u>-</u>	<u>60,279</u>	<u>60,279</u>
<u>(318,519)</u>	<u>60,279</u>	<u>(258,240)</u>
104,030	-	104,030
6,761	-	6,761
393,927	-	393,927
782	-	782
14,019	43	14,062
-	81,235	81,235
<u>15,852</u>	<u>-</u>	<u>15,852</u>
<u>535,371</u>	<u>81,278</u>	<u>616,649</u>
216,852	141,557	358,409
1,719,797	11,167,588	12,887,385
<u>\$ 1,936,649</u>	<u>\$ 11,309,145</u>	<u>\$ 13,245,794</u>

TOWN OF OAK CREEK, COLORADO

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2020

With Comparative Totals for December 31, 2019

	General	Total	
	Fund	2020	2019
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Investments	\$ 393,606	\$ 393,606	\$ 148,531
Restricted Cash and Investments	100	100	2,279
Receivables			
Property Tax Receivable	103,563	103,563	104,919
Intergovernmental Receivables	-	-	500
Cash with Fiscal Agent	818	818	581
Accounts Receivable	82,459	82,459	65,927
Other Receivables	14,500	14,500	14,500
Prepaid Expenses	1,527	1,527	420
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 596,573</u>	<u>\$ 596,573</u>	<u>\$ 337,657</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 19,942	\$ 19,942	\$ 46,798
Accrued Liabilities	2,111	2,111	3,011
Accrued Salaries and Benefits	9,613	9,613	22,582
Deposits and Escrow	1,160	1,160	1,160
TOTAL LIABILITIES	<u>32,826</u>	<u>32,826</u>	<u>73,551</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	103,563	103,563	104,919
Deferred Grants	40,017	40,017	15,375
TOTAL DEFERRED INFLOWS	<u>143,580</u>	<u>143,580</u>	<u>120,294</u>
FUND BALANCE			
Nonspendable Fund Balance	1,527	1,527	420
Restricted Fund Balance	54,384	54,384	68,563
Committed Fund Balance	99,225	99,225	74,829
Unassigned Fund Balance	265,031	265,031	-
TOTAL FUND BALANCE	<u>420,167</u>	<u>420,167</u>	<u>143,812</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 596,573</u>	<u>\$ 596,573</u>	<u>\$ 337,657</u>

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

TOWN OF OAK CREEK, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION
DECEMBER 31, 2020**

Fund Balance - Governmental Funds		\$ 420,167
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, not being depreciated	\$ 665,605	
Capital assets, being depreciated	2,348,380	
Accumulated depreciation	<u>(1,384,822)</u>	1,629,163
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds		
<u>FPPA Statewide Defined Benefit Plan</u>		
Deferred outflows - pensions (net)	98,308	
Net pension asset	8,898	
Deferred inflows - pensions (net)	<u>(38,116)</u>	69,090
Internal Service operations primarily benefit Governmental Activities		
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Capital leases payable	(167,434)	
Accrued compensated absences	<u>(14,336)</u>	<u>(181,770)</u>
Total Net Position - Governmental Activities		<u>\$ 1,936,650</u>

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

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	General	Total	
	Fund	2020	2019
REVENUES			
Taxes	\$ 505,500	\$ 505,500	\$ 386,170
Intergovernmental Revenues	226,405	226,405	561,365
Licenses and Permits	81,821	81,821	61,261
Fines and Forfeits	1,753	1,753	3,190
Internal Charges	104,575	104,575	99,050
Charges for Services	37,525	37,525	41,549
Investment Earnings	14,019	14,019	40,864
Other Revenues	21,855	21,855	1,174
TOTAL REVENUES	993,453	993,453	1,194,623
EXPENDITURES			
Current:			
General Government	151,852	151,852	183,191
Public Safety	272,499	272,499	269,439
Public Works	82,349	82,349	98,938
Parks, Recreation and Other	158,028	158,028	127,803
Capital Outlay	8,382	8,382	660,058
Debt Service	43,988	43,988	44,028
TOTAL EXPENDITURES	717,098	717,098	1,383,457
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	276,355	276,355	(188,834)
OTHER FINANCING SOURCES (USES)			
Debt Proceeds	-	-	154,898
NET CHANGE IN FUND BALANCE - GAAP BASIS	276,355	276,355	(33,936)
FUND BALANCE, BEGINNING	143,812	143,812	177,748
FUND BALANCE, ENDING	\$ 420,167	\$ 420,167	\$ 143,812

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

TOWN OF OAK CREEK, COLORADO

RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE
TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020

Change in Fund Balance - Governmental Funds \$ 276,355

Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level

Capitalized Asset Purchases	3,751	
Depreciation Expense	<u>(98,368)</u>	(94,617)

Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.

Change in deferred outflows - pensions (net)	(4,649)	
Change in net pension asset/liability	29,001	
Change in deferred inflows - pensions (net)	<u>(17,980)</u>	6,372

Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level

Principal payments on capital leases	30,504	
Change in accrued compensated absences	<u>(1,761)</u>	<u>28,743</u>

Change in Net Position - Governmental Activities \$ 216,853

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

TOWN OF OAK CREEK, COLORADO

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2020

With Comparative Totals for December 31, 2019

	Business-type Activities			
	Electric Fund	Water Fund	Sewer Fund	Other Funds
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash and Investments	\$ 1,468,669	\$ 445,295	\$ 366,266	\$ (15,269)
Restricted Cash and Investments	-	67,119	94,038	-
Receivables				
Intergovernmental Receivables	-	5,000	-	-
Utility Receivable	237,532	55,836	44,850	15,399
Internal Balances	-	(315,000)	315,000	-
Total Current Assets	<u>1,706,201</u>	<u>258,250</u>	<u>820,154</u>	<u>130</u>
Noncurrent Assets				
Capital Assets being depreciated	2,313,464	8,154,753	5,926,118	-
Accumulated Depreciation	(1,831,186)	(2,479,205)	(1,922,502)	-
Total Noncurrent Assets	<u>482,278</u>	<u>5,675,548</u>	<u>4,003,616</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,188,479</u>	<u>\$ 5,933,798</u>	<u>\$ 4,823,770</u>	<u>\$ 130</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 157,712	\$ 78,372	\$ 3,591	\$ -
Deposits and Escrow	78,700	-	-	-
Accrued Interest Payable	-	-	17,545	-
Total Current Liabilities	<u>236,412</u>	<u>78,372</u>	<u>21,136</u>	<u>-</u>
Noncurrent Liabilities				
Due within one year	4,978	63,650	23,726	-
Due in more than one year	16,556	141,106	1,051,096	-
Total Noncurrent Liabilities	<u>21,534</u>	<u>204,756</u>	<u>1,074,822</u>	<u>-</u>
TOTAL LIABILITIES	<u>257,946</u>	<u>283,128</u>	<u>1,095,958</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	460,744	5,470,792	2,928,794	-
Restricted Net Position	-	67,119	94,352	-
Unrestricted Net Position	<u>1,469,789</u>	<u>112,759</u>	<u>704,666</u>	<u>130</u>
TOTAL NET POSITION	<u>1,930,533</u>	<u>5,650,670</u>	<u>3,727,812</u>	<u>130</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 2,188,479</u>	<u>\$ 5,933,798</u>	<u>\$ 4,823,770</u>	<u>\$ 130</u>

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

Total	
2020	2019
\$ 2,264,961	\$ 1,982,061
161,157	154,051
5,000	4,600
353,617	262,464
-	-
<u>2,784,735</u>	<u>2,403,176</u>
16,394,335	16,282,477
(6,232,893)	(5,880,527)
<u>10,161,442</u>	<u>10,401,950</u>
<u>\$ 12,946,177</u>	<u>\$ 12,805,126</u>

\$ 239,675	\$ 173,051
78,700	49,050
<u>17,545</u>	<u>17,847</u>
<u>335,920</u>	<u>239,948</u>

92,354	96,369
<u>1,208,758</u>	<u>1,301,221</u>
<u>1,301,112</u>	<u>1,397,590</u>
<u>1,637,032</u>	<u>1,637,538</u>

8,860,330	9,004,360
161,471	154,051
<u>2,287,344</u>	<u>2,009,177</u>
<u>11,309,145</u>	<u>11,167,588</u>
<u>\$ 12,946,177</u>	<u>\$ 12,805,126</u>

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	Business-type Activities			
	Electric Fund	Water Fund	Sewer Fund	Other Funds
Operating Revenues				
Utility Charges	\$ 1,386,207	\$ 421,806	\$ 337,261	\$ 137,132
Other Charges for Services	140	-	730	-
Total Revenues	<u>1,386,347</u>	<u>421,806</u>	<u>337,991</u>	<u>137,132</u>
Operating Expenses				
Management Fees	104,778	63,403	57,903	5,281
Personnel Services	212,394	117,600	117,195	7,602
Commodity Charges	660,092	-	-	-
Administrative/Office Expenses	640	275	-	-
Insurance	30,546	9,227	7,400	-
Operating Supplies	97,197	13,800	7,313	-
Professional Fees	-	300	715	132,881
Repairs and Maintenance	26,931	9,234	879	-
Travel and Training	70	46	-	-
Treatment	-	9,278	16,721	-
Telephone and Utilities	6,862	25,325	29,307	-
Other Operating Expenses	5,264	3,358	208	243
Depreciation Expense	36,148	186,839	129,378	-
Other Capital Outlay	42,865	18,629	500	-
Total Expenditures	<u>1,223,787</u>	<u>457,314</u>	<u>367,519</u>	<u>146,007</u>
Operating Income (Loss)	<u>162,560</u>	<u>(35,508)</u>	<u>(29,528)</u>	<u>(8,875)</u>
Other Income (Expense)				
Investment Earnings	-	-	43	-
Other Revenue	81,235	-	-	-
Interest Expense	(910)	(9,854)	(43,207)	-
Total Other Income (Expense)	<u>80,325</u>	<u>(9,854)</u>	<u>(43,164)</u>	<u>-</u>
Transfers				
Transfers In/(Out)	(5,900)	-	-	5,900
Net Income (Loss)	<u>236,985</u>	<u>(45,362)</u>	<u>(72,692)</u>	<u>(2,975)</u>
Contributed Capital				
Plant Investment Fees	-	10,480	10,480	-
Intergovernmental Revenue	-	4,641	-	-
Change in Net Position	<u>236,985</u>	<u>(30,241)</u>	<u>(62,212)</u>	<u>(2,975)</u>
Net Position, Beginning	<u>1,693,548</u>	<u>5,680,911</u>	<u>3,790,024</u>	<u>3,105</u>
Net Position, Ending	<u>\$ 1,930,533</u>	<u>\$ 5,650,670</u>	<u>\$ 3,727,812</u>	<u>\$ 130</u>

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

Total	
2020	2019
\$ 2,282,406	\$ 2,066,921
870	3,571
<u>2,283,276</u>	<u>2,070,492</u>
231,365	213,122
454,791	431,147
660,092	647,675
915	453
47,173	26,327
118,310	27,669
133,896	139,751
37,044	45,570
116	177
25,999	16,849
61,494	59,752
9,073	12,858
352,365	352,543
61,994	52,044
<u>2,194,627</u>	<u>2,025,937</u>
<u>88,649</u>	<u>44,555</u>
43	64
81,235	-
<u>(53,971)</u>	<u>(67,360)</u>
<u>27,307</u>	<u>(67,296)</u>
-	-
<u>115,956</u>	<u>(22,741)</u>
20,960	10,480
<u>4,641</u>	<u>33,602</u>
141,557	21,341
<u>11,167,588</u>	<u>11,146,247</u>
<u>\$ 11,309,145</u>	<u>\$ 11,167,588</u>

TOWN OF OAK CREEK

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	Business-type Activities			
	Electric Fund	Water Fund	Sewer Fund	Other Funds
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 1,342,829	\$ 411,088	\$ 334,324	\$ 133,535
Cash Paid to Suppliers	(909,190)	(52,014)	(98,113)	(146,476)
Cash Paid for Interfund Services	(104,778)	(63,403)	(57,903)	(5,281)
Cash Paid to Employees	(157,190)	(88,051)	(88,051)	(5,189)
Net Cash Provided by Operating Activities	<u>171,671</u>	<u>207,620</u>	<u>90,257</u>	<u>(23,411)</u>
Cash Flows From Capital and Related Financing Activities:				
Tap Fees Received	-	10,480	10,480	-
Debt Principal Payments	(11,999)	(61,372)	(23,108)	-
Grant Proceeds	-	4,241	-	-
Interest Payments	(910)	(9,854)	(43,509)	-
Acquisition of Capital Assets	-	(111,858)	-	-
Cash Flows Used by Capital and Related Financing Activities	<u>(12,909)</u>	<u>(168,363)</u>	<u>(56,137)</u>	<u>-</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	(5,900)	-	-	5,900
Other Revenues (Expense)	<u>81,235</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>75,335</u>	<u>-</u>	<u>-</u>	<u>5,900</u>
Cash Flows (Uses) From Investing Activities:				
Interest Received	-	-	43	-
Net Increase (Decrease) in Cash	234,097	39,257	34,163	(17,511)
Cash - Beginning	<u>1,234,572</u>	<u>473,157</u>	<u>426,141</u>	<u>2,242</u>
Cash - Ending	<u>\$ 1,468,669</u>	<u>\$ 512,414</u>	<u>\$ 460,304</u>	<u>\$ (15,269)</u>
Cash and Investments	\$ 1,468,669	\$ 445,295	\$ 366,266	\$ (15,269)
Restricted Cash and Investments	-	67,119	94,038	-
Total	<u>\$ 1,468,669</u>	<u>\$ 512,414</u>	<u>\$ 460,304</u>	<u>\$ (15,269)</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ 162,560	\$ (35,508)	\$ (29,528)	\$ (8,875)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	36,148	186,839	129,378	-
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Utility Receivable	(73,168)	(10,718)	(3,667)	(3,597)
(Increase) Decrease in:				
Accounts Payable	16,481	67,007	(5,926)	(10,939)
Deposits and Escrow	<u>29,650</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Adjustments	<u>9,111</u>	<u>243,128</u>	<u>119,785</u>	<u>(14,536)</u>
Net Cash Used for Operating Activities	<u>\$ 171,671</u>	<u>\$ 207,620</u>	<u>\$ 90,257</u>	<u>\$ (23,411)</u>

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

Total	
2020	2019
\$ 2,221,776	\$ 2,050,816
(1,205,793)	(1,115,326)
(231,365)	(213,122)
<u>(338,481)</u>	<u>(314,040)</u>
<u>446,137</u>	<u>408,328</u>
20,960	10,480
(96,479)	(109,639)
4,241	29,002
(54,273)	(67,650)
<u>(111,858)</u>	<u>(90,950)</u>
<u>(237,409)</u>	<u>(228,757)</u>
-	-
<u>81,235</u>	<u>-</u>
<u>81,235</u>	<u>-</u>
43	64
290,006	179,635
<u>2,136,112</u>	<u>1,956,477</u>
<u>\$ 2,426,118</u>	<u>\$ 2,136,112</u>
\$ 2,264,961	\$ 1,982,061
<u>161,157</u>	<u>154,051</u>
<u>\$ 2,426,118</u>	<u>\$ 2,136,112</u>
\$ 88,649	\$ 44,555
352,365	352,543
(91,150)	(20,403)
66,623	30,906
<u>29,650</u>	<u>727</u>
<u>357,488</u>	<u>363,773</u>
<u>\$ 446,137</u>	<u>\$ 408,328</u>

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

HISTORY AND FUNCTION OF ORGANIZATION

The Town of Oak Creek, Colorado is a political subdivision of the State of Colorado governed by a seven member board of trustees. The Town was incorporated in 1907 in Routt County, Colorado. The Town is a full service entity providing public safety, public works, and parks and recreation services as well as providing electric, water, sewer and trash services.

REPORTING ENTITY

In accordance with Governmental Accounting Standards, the Town 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 has not included any other organizations within 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) present financial information of the Town as a whole. The reporting information includes all of the non-fiduciary activities of the Town. These statements are to distinguish between the governmental and business-type activities of the Town. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues. Internal activity has been eliminated within the function for the statement of activities 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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, sales and use taxes, franchise fees, state shared revenues, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the 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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

General Fund

The general fund uses the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Certain service fees and non-tax revenues are recognized when received or billed. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal sources of revenues are property and sales taxes. Principal expenditures are for police protection, public works, parks and recreations and Town administration.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary Funds

The Town also reports the following major proprietary funds

Electric, Water, and Sewer Funds

These funds account for the activities related to the offering of the respective services to the Town's residents.

BUDGETS AND BUDGETARY ACCOUNTING

Budgets were adopted for all funds. Budgets are prepared on the same basis of accounting as that used for accounting purposes. In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Budgets are adopted based on the requirements of state statutes. The following timetable is used:

- 1) Submission of the proposed budget to the Board of Trustees by October 15 of each year.
- 2) Certification of mill levies to the County Commissioners by December 15 of each year.
- 3) Final adoption of the budget and appropriations by December 31 of each year.

The Town does not utilize encumbrance accounting and all appropriations lapse at year end. The budgets presented are as originally adopted or supplemented during the year.

CASH AND EQUIVALENTS

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

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, 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. The deferred revenue is shown as a deferred inflow of financial resources in the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ACCOUNTS RECEIVABLE

Based upon a review of the existing accounts receivable and the fact that any uncollectible water and sewer receivables can be certified to the County Treasurer as such and attached to the tax rolls, no allowance for doubtful accounts is provided.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the 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 fair market 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.

The Town has elected to not retroactively report infrastructure and had no additions to its infrastructure for the year. Property and equipment of the Town is depreciated using the straight line method over the following estimated useful lives.

Buildings	20 - 40 years
Vehicles and Equipment	10 - 20 years
Utility Systems	5 - 50 years

ACCUMULATED UNPAID LEAVE (COMPENSATED ABSENCES)

The Town permits an employee to carry over up to 80 hours of unused vacation pay to the next calendar year upon approval by the town administrator with amounts above that requiring board approval. The Town assumes that the employee will use all carryover vacation as well as any current vacation earned in the same year. Sick leave accumulates up to 12 days annually with no limitation on the maximum amount that can be accumulated. An employee will not be paid upon termination for sick leave. The Town has accrued \$14,336 in the governmental activities presentation for accrued compensated absences at December 31, 2020.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government only has pension related items as further described in Note 6.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES (Continued)

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town is reporting two items, the first is at the governmental activity and governmental fund level related to property taxes that were milled in 2020 for collection in 2021. In addition, the governmental activities reports deferred inflows related to pension obligations as further described in Note 6.

NET POSITION/FUND BALANCES

In the government-wide financial statements and for the proprietary fund statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as “nonspendable” include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balances are reported as “restricted” when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Amounts that can only be used for specific purposes pursuant to constraints imposed by the highest formal action, the adoption of an Ordinance, of the government's highest level of decision-making authority, the Town Board, are reported as “committed” fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as “assigned” fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

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

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NET POSITION/FUND BALANCE FLOW ASSUMPTIONS

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying basic financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to understand.

NOTE 2: CASH AND INVESTMENTS

DEPOSITS

The Town's cash and investment balances as of December 31, 2020 are comprised of and allocated in the financial statements as follows:

Cash	\$ 463,793
Investments	<u>2,356,032</u>
Total Cash and Investments	<u>\$ 2,819,824</u>
Cash and Investments	\$ 2,658,253
Restricted Cash and Investments	<u>161,571</u>
Total Cash and Investments	<u>\$ 2,819,824</u>

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 2: CASH AND INVESTMENTS (Continued)

DEPOSITS (Continued)

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The Town's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2020, all of the Town's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	<u>Bank Balance</u>	<u>Book Balance</u>
FDIC Insured	\$ 250,000	\$ 250,000
PDPA Secured (Not in Entity's Name)	255,965	213,292
Cash on Hand	-	500
Total Cash	<u>\$ 505,965</u>	<u>\$ 463,792</u>

INVESTMENTS

Credit Risk

Colorado statutes specify which instruments units of local government may invest, which include:

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

The Town does not have an investment policy that would further limit its investment choices.

During the year ended December 31, 2020, the Town invested funds in Colotrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner.

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 2: CASH AND INVESTMENTS (Continued)

INVESTMENTS (Continued)

It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. This fund is rated AAAM by the Standard and Poor's Corporation. The balance of this investment at December 31, 2020 was \$2,356,032.

Concentration of Credit Risk

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

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in the statutes.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2020, the Town did not hold any securities that required safekeeping.

RESTRICTED CASH

Restricted cash represents those amounts collected for a particular purpose but unspent as of the end of the fiscal year.

The Town's restricted cash balances at December 31, 2020 are comprised of the following:

<u>General Fund</u>	
Conservation Trust Funds	\$ 100
<u>Water Fund</u>	
Water 3 Month O&M Reserve	67,119
<u>Sewer Fund</u>	
Sewer Debt Service Reserve	60,812
Sewer O&M and Short-Lived Asset Reserve	33,540
Total Sewer Fund	94,352
Total Restricted Cash	\$ 161,571

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 3: CAPITAL ASSETS

Changes in governmental capital assets for the year were as follows:

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$ 665,605	\$ -	\$ -	\$ 665,605
Construction in Progress	-	-	-	-
Total Capital Assets not being Depreciated	<u>665,605</u>	<u>-</u>	<u>-</u>	<u>665,605</u>
Capital Assets being Depreciated:				
Buildings & Improvements	1,609,459	3,750	-	1,613,209
Vehicles & Equipment	735,171	-	-	735,171
Total Capital Assets being Depreciated	<u>2,344,630</u>	<u>3,750</u>	<u>-</u>	<u>2,348,380</u>
Less Accumulated Depreciation:				
Buildings & Improvements	(901,798)	(57,682)	-	(959,480)
Vehicles & Equipment	(384,656)	(40,686)	-	(425,342)
Total Accumulated Depreciation	<u>(1,286,454)</u>	<u>(98,368)</u>	<u>-</u>	<u>(1,384,822)</u>
Net Capital Assets	<u>\$ 1,723,781</u>	<u>\$ (94,618)</u>	<u>\$ -</u>	<u>\$ 1,629,163</u>
Depreciation by Function:				
General Government			\$ 9,748	
Public Safety			11,971	
Public Works			23,507	
Parks and Recreation			53,142	
Total Depreciation			<u>\$ 98,368</u>	

A summary of changes in business-type activity capital assets at December 31, 2020 is as follows:

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Business-Type Activities:				
Capital Assets not being Depreciated:				
Construction in Progress - Water System	\$ 125,657	\$ 111,858	\$ -	\$ 237,515
Capital Assets being Depreciated:				
Electrical System	2,313,464	-	-	2,313,464
Water System	7,917,238	-	-	7,917,238
Sewer System	5,926,118	-	-	5,926,118
Total Capital Assets	<u>16,156,820</u>	<u>-</u>	<u>-</u>	<u>16,156,820</u>
Less Accumulated Depreciation:				
Electrical System	(1,795,038)	(36,148)	-	(1,831,186)
Water System	(2,292,365)	(186,840)	-	(2,479,205)
Sewer System	(1,793,124)	(129,378)	-	(1,922,502)
Total Accumulated Depreciation	<u>(5,880,527)</u>	<u>(352,366)</u>	<u>-</u>	<u>(6,232,893)</u>
Net Capital Assets	<u>\$ 10,401,950</u>	<u>\$ (240,508)</u>	<u>\$ -</u>	<u>\$ 10,161,442</u>

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 4: LONG TERM DEBT – GOVERNMENTAL ACTIVITIES

At December 31, 2020, the Town had the following governmental long term debt obligations:

	Balance 12/31/19	Advances	Payments	Balance 12/31/20	Current Portion	Interest Paid
2017 Equipment Capital Lease	\$ 45,662	\$ -	\$ 14,540	\$ 31,122	\$ 12,358	\$ 1,293
2018 Equipment Capital Lease	14,186	-	3,169	11,017	3,408	1,073
2019 Equipment Capital Lease	138,090	-	12,795	125,295	13,367	6,170
Accrued Compensated Absences	12,575	1,761	-	14,336	-	-
Totals	\$ 210,513	\$ 1,761	\$ 30,504	\$ 181,770	\$ 29,133	\$ 8,536

Capital Leases

In 2017, the Town entered into a capital lease agreement for the purchase of a 2015 Ford Van, 2016 Ford Explorer Police Interceptor, Caterpillar Backhoe Loader, and a 2017 Dodge Ram 3500 Pickup. As part of this agreement the Town agreed to trade in the 2002 Cat Loader that the Town owned, which had no remaining basis. The lease requires monthly payments of \$3,318. The lease bears interest at 3.46%. Payments related to this lease will be paid by the General, Water, Sewer and Electric Funds. The allocation of the assets and lease liability are 46.75% General, 17.75% Electric, 17.75 % Water and 17.75% Sewer. The Town has capitalized assets with a remaining basis of \$157,585 related to this lease, the General Fund will be responsible for their proportionate share of \$72,152. In the event of a default the lessor may terminate the affected lease and any other lease or lessee's rights thereunder and in any such event repossess the equipment at the lessor's expense. The equipment shall be repossessed free and clear of all liens and security interests. Upon repossession, if the equipment is damaged or otherwise made less suitable for the purposes for which it was manufactured then the lessee has the option to repair and restore to the same condition in which it was received or pay the lessor the reasonable costs of such a repair and restoration. In the event the lessor liquidates the equipment following an event of default and realizes net proceeds in excess of total rental payments under the lease, the lessor shall immediately pay the amount of any such excess to the lessee. If the lessee continues to use the equipment leased and refuses to pay rental payments the lessor may declare the rental payments due and owing for the fiscal period for which such appropriations have been made to be immediately due and payable and shall be entitled to bring such action at law or in equity to recover money and other damages attributable to such holdover period under the lease. The lessor shall also be entitled to exercise any and all remedies available under the applicable Uniform Commercial Code and all other rights and remedies that the lessor may have at law or in equity. The lessee is liable for any expense reasonably incurred with respect to the enforcement of any remedy available to the lessor, but only from legally available funds.

The following is a schedule of the future minimum lease payments required under the capital lease, to be made proportionally by fund based on the amounts shown above, for the vehicle and equipment purchase, and the present value of the remaining payments as of December 31, 2020.

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 4: LONG TERM DEBT – GOVERNMENTAL ACTIVITIES (Continued)

Capital Leases (Continued)

<u>Year</u>	<u>General Fund</u>		<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
	<u>Public Safety</u>	<u>Public Works</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Payment</u>
2021	\$ 7,844	\$ 5,806	\$ 5,806	\$ 5,806	\$ 5,806	\$ 31,068
2022	1,961	3,931	3,931	3,931	3,931	17,685
2023	-	3,307	3,307	3,307	3,307	13,228
2024	-	3,307	3,307	3,307	3,307	13,228
2025	-	3,307	3,307	3,307	3,307	13,228
2026-2027	-	4,133	4,133	4,133	4,133	16,532
Future Minimum Lease Pmts	9,805	23,791	23,791	23,791	23,791	104,969
Less: Interest at 4.47%	(217)	(2,257)	(2,257)	(2,257)	(2,257)	(9,245)
Present Value of Payments	<u>\$ 9,588</u>	<u>\$ 21,534</u>	<u>\$ 21,534</u>	<u>\$ 21,534</u>	<u>\$ 21,534</u>	<u>\$ 95,724</u>

In 2018, the Town entered into a capital lease agreement for the purchase of four portable police radios. The lease requires annual payments of \$4,241. The lease bears interest at 7.08%. Payments related to this lease will be paid by the General Fund. The Town has capitalized assets with a remaining basis of \$8,678 related to this lease. In the event of a default, the lessor shall have the right to take one or any combination of the following remedial steps; with or without terminating the contract, the lessor may declare all contract payments and other amounts payable by the lessee hereunder to the end of the then current budget year to be immediately due and payable, redelivery of any and all equipment at lessee's expense while being liable for any damages to the equipment and any additional collateral caused by the lessee or its employees or agents and the lessor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights with the lessee being responsible for all costs incurred in the enforcement of its rights under this contract including reasonable attorney fees.

The following is a schedule of the future minimum lease payments required under the capital lease:

<u>Year</u>	<u>Total Payment</u>
2021	\$ 4,241
2022	4,241
2023	<u>4,241</u>
Future Min. Lease Pmt	12,723
Less: Interest 7.56%	<u>(1,706)</u>
Present Value of Payments	<u>\$ 11,017</u>

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 4: LONG TERM DEBT – GOVERNMENTAL ACTIVITIES (Continued)

Capital Leases (Continued)

In 2019, the Town entered into a capital lease agreement for the purchase of one Caterpillar Loader. The lease requires annual payments of \$18,965. The lease bears interest at 4.47%. Payments related to this lease will be paid by the General Fund. The Town has capitalized assets with a remaining basis of \$143,281 related to this lease. In the event of a default the lessor may terminate the affected lease and any other lease or lessee's rights thereunder and in any such event repossess the equipment at the lessor's expense. The equipment shall be repossessed free and clear of all liens and security interests. Upon repossession, if the equipment is damaged or otherwise made less suitable for the purposes for which it was manufactured then the lessee has the option to repair and restore to the same condition in which it was received or pay the lessor the reasonable costs of such a repair and restoration. In the event the lessor liquidates the equipment following an event of default and realizes net proceeds in excess of total rental payments under the lease, the lessor shall immediately pay the amount of any such excess to the lessee. If the lessee continues to use the equipment leased and refuses to pay rental payments the lessor may declare the rental payments due and owing for the fiscal period for which such appropriations have been made to be immediately due and payable and shall be entitled to bring such action at law or in equity to recover money and other damages attributable to such holdover period under the lease. The lessor shall also be entitled to exercise any and all remedies available under the applicable Uniform Commercial Code and all other rights and remedies that the lessor may have at law or in equity. The lessee is liable for any expense reasonably incurred with respect to the enforcement of any remedy available to the lessor, but only from legally available funds.

The following is a schedule of the future minimum lease payments required under the capital lease:

<u>Year</u>	<u>Total Payment</u>
2021	\$ 18,965
2022	18,965
2023	18,965
2024	18,965
2025-2028	<u>75,860</u>
Future Minimum Lease Pmts	151,720
Less: Interest at 4.47%	<u>(26,425)</u>
Present Value of Payments	<u>\$ 125,295</u>

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 5: LONG-TERM DEBT – BUSINESS-TYPE ACTIVITIES

Changes in long-term debt for the year ended December 31, 2020 are as follows:

	Balance 12/31/19	Advances	Payments	Balance 12/31/20	Current Portion	Interest Expense
2000 Electric Note Payable	\$ 7,021	\$ -	\$ 7,021	\$ -	\$ -	\$ 83
2003 CWRPDA Water Note	239,615	-	56,393	183,222	58,672	9,026
2010 Sewer Revenue Bonds	1,071,418	-	18,130	1,053,288	18,748	42,380
2017 Equipment Capital Lease	79,537	-	14,935	64,602	14,934	2,482
Totals	\$ 1,397,591	\$ -	\$ 96,479	\$ 1,301,112	\$ 92,354	\$ 53,971

Details of the Town's outstanding business-type activity debt are as follows:

ELECTRIC FUND

The Town issued Electrical Enterprise Revenue Note, Series 2000 (the Electrical Note) on February 29, 2000 in the amount of \$400,000 to finance improvements to the Town's existing electrical power system. The Electrical Note is secured by a lien on the revenue of the electric fund and is payable monthly over a 20-year period. The Electrical Note bears interest at 5.75% annually until February 15, 2003 and will be adjusted every 5 years thereafter at a per annum interest rate equal to 96.28% of the then current 5-year U.S. Treasury note. The current interest rate is 5.75%. During the current fiscal year the Town issued the final payment on the note payable.

WATER FUND

In November 2003, the Town entered into a loan agreement with the Colorado Water Resource and Power Development Authority ("CWRPDA") for the purpose of constructing water system improvements. CWRPDA has committed funding up to \$981,198. The loan has a 20 year term and bears interest at 4% per annum. Payments of \$32,710 principal and interest are due semiannually on May 1 and November 1 of each year through November 1, 2023. The first payment was due May 1, 2004. The loan requires a three month operations and maintenance reserve computed to be \$67,119 as of December 31, 2020.

Year	Principal	Interest	Total
2021	\$ 58,672	\$ 6,748	\$ 65,420
2022	61,042	4,378	65,420
2023	63,508	1,933	65,441
Totals	\$ 183,222	\$ 13,059	\$ 196,281

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 5: LONG-TERM DEBT – BUSINESS-TYPE ACTIVITIES (Continued)

SEWER FUND

In 2010, the Town issued Sewer Revenue Bonds in the amount of \$1,208,000 through the USDA Department of Rural Development. The bonds bear interest at 4% with semi-annual payments of \$30,406 due on February 1st and August 1st beginning February 1, 2011. There are debt service and operations and maintenance reserve requirements related to this loan, with \$94,352 of restricted cash to meet the requirements as of December 31, 2020.

Future payments on long-term debt are scheduled as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 18,748	\$ 42,064	\$ 60,812
2022	19,506	41,307	60,813
2023	20,294	40,518	60,812
2024	21,113	39,699	60,812
2025	21,966	38,846	60,812
2026-2030	123,883	180,177	304,060
2031-2035	151,012	153,048	304,060
2036-2040	184,084	119,976	304,060
2041-2045	224,397	79,663	304,060
2046-2050	<u>268,285</u>	<u>32,821</u>	<u>301,106</u>
Totals	<u>\$ 1,053,288</u>	<u>\$ 768,119</u>	<u>\$ 1,821,407</u>

In addition, the Enterprise Funds will be responsible for their proportionate share of the 2017 equipment lease with a remaining balance of \$85,433 as described in the Governmental Activities Long-Term Debt shown above (Note 4).

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

STATEWIDE DEFINED BENEFIT PLAN (FPPA)

Summary of Significant Accounting Policies

Pensions. The District participates in the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire & Police Pension Association of Colorado (“FPPA”). The net pension asset or 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 have been determined using the accrual basis of accounting as required by the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan

Plan description. Eligible employees of the District are provided with pensions through the Statewide Defined Benefit Plan (SWDB) - a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), rules and regulations codified by the Fire and Police Pension Association, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report, the most recent of which is for the fiscal year ended December 31, 2018, that can be obtained 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.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary 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 currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated 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.

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' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contributions. Through December 31, 2020, 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.

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan (Continued)

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 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 resolutions.

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.

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to FPPA. Employer contributions recognized by the FPPA from the District were \$9,277 for the plan year ended December 31, 2019 and \$6,428 for the fiscal year ended December 31, 2020. The current year contributions will be expensed in 2021 for FPPA purposes, December 31, 2020 employer contributions for reporting as of December 31, 2021, and are a timing difference at year end.

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

At December 31, 2020, the District reported an asset of \$8,898 for its proportionate share of the SWDB's net pension liability. The net pension asset or liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. The District's proportion of the net pension liability was based on District's contributions to the SWDB for the calendar year 2019 relative to the total contributions of participating employers to the SWDB.

At December 31, 2020, the District's proportion was 0.01573%, which was a decrease of 0.00017% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2020, the District recognized pension expense of \$8,708. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

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

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 31,714	\$ (160)
Changes of assumptions or other inputs	\$ 33,181	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 19,401	\$ (34,012)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 7,584	\$ (3,944)
Contributions subsequent to the measurement date	\$ 6,428	\$ -
Total	\$ 98,308	\$ (38,116)

\$6,428 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an adjustment of the net pension asset in the year ended 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:

Year Ended December 31:	Fiscal year Total
2021	\$ 5,632
2022	4,127
2023	9,230
2024	3,265
2025	8,966
2026-2029	22,544
Total	\$ 53,764

Actuarial assumptions. The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial method	Entry Age Normal
Amortization method	Level % of Payroll, Open
Amortization period	30 Years
Long-term investment rate of return, net of	7.00%
Salary increase, including wage inflation	4.25%-11.25%
Cost of Living Adjustments (COLA)	0.00%
* Includes inflation at	2.50%

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

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

For determining the total pension liability, 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 pre-retirement 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.

At least every five years the FPPA'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 weighing 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	37.00%	7.00%
Equity Long/Short	9.00%	6.00%
Private Markets	24.00%	9.20%
Fixed Income	15.00%	5.20%
Absolute Return	9.00%	5.50%
Managed Futures	4.00%	5.00%
Cash	2.00%	2.52%
Total	100.00%	

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (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 cred it 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 proportionate share of the net pension asset (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, 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 asset (liability)	\$ (53,953)	\$ 8,898	\$ 61,025

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

DEFINED CONTRIBUTION PLAN

The Town offers its employees a Deferred Compensation Plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The contribution rate for the Town is 3% for covered employees or as contractually agreed to by the board. The Town's contributions to the Benefit Plan for the year ending December 31, 2020, 2019 and 2018 were \$10,009, \$23,640, and \$28,668, respectively, equal to their required contributions.

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to these amounts, property, or rights are held in trust for the exclusive benefits of participants and their beneficiaries. The Town has no ownership interest in the Plan nor is the Town liable for any losses under the Plan.

NOTE 7: INTERFUND ACTIVITY

The utility funds and grant fund have paid to the General Fund the following management and overhead fees:

	<u>Overhead</u> <u>Allocations</u>	<u>Management</u> <u>Fees</u>
General Fund	\$ 126,790	\$ 104,575
Electric Fund	(40,503)	(64,275)
Water Fund	(40,503)	(22,900)
Sewer Fund	(40,503)	(17,400)
Trash Fund	(5,281)	-
	<u>\$ -</u>	<u>\$ -</u>

NOTE 8: COMMITMENTS AND CONTINGENCIES

The Town receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of the Town, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the Town at December 31, 2020.

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 9: FUND BALANCE/NET POSITION APPROPRIATIONS AND RESTRICTIONS

Tax Spending and Debt Limitations

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts.

The Town's financial activity for the year ended December 31, 2020 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth.

Subsequent to December 31, 1992, revenue in excess of the Town's "spending limit" must be refunded unless voters approve the retaining of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases and new debt.

In November 1998, the electors of the Town authorized the Town to collect, retain and expend the full amount of the revenues from all sources during 1998, as well as the full amount of all revenues generated by all sources for each subsequent year without limitation under Article X, Section 20 of the Colorado Constitution.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance. The Town's management believes it is in compliance with the TABOR amendment.

The Article requires an emergency reserve be set aside for 2020 in the amount of 3% or more of its fiscal year spending. At December 31, 2020, the Town has reserved the following for emergencies:

General Fund	<u>\$ 30,000</u>
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TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 9: FUND BALANCE/NET POSITION APPROPRIATIONS AND RESTRICTIONS (Continued)

Subsequent Appropriations/Other Restrictions and Commitments

Through adoption of the 2021 budget, the Town has appropriated a decrease of \$11,098 in carryover reserves for the General Fund. In addition, the Town has restricted or committed other funds as noted below:

	<u>Restricted Equity</u>	
<u>Governmental Activities</u>		
Conservation Trust Fund	\$	100
TABOR Emergency Reserve		30,000
Parking Impact Fees		20,534
Coal Queen Scholarship		3,750
Total Government Activities	\$	54,384
<u>Business-type Activity</u>		
Water CWRPDA O&M Reserve	\$	67,119
Sewer Bond Debt Service Reserve		60,812
Sewer Short Lived Asset Reserve		33,540
Total Business-type Activities	\$	161,471
	<u>Fund Equity</u>	
	<u>Committed</u>	<u>Restricted</u>
<u>General Fund</u>		
Conservation Trust Fund	\$ -	\$ 100
TABOR Emergency Reserve	-	30,000
Coal Queen Scholarship	-	3,750
Parking Fee in Lieu	-	20,534
Operating Reserve	84,783	-
2021 Budget Usage	-	-
Capital Reserve - Parks	21	-
Capital Reserve - Police	9,555	-
Capital Reserve - Public Works	4,866	-
Total General Fund	\$ 99,225	\$ 54,384
<u>Water Fund</u>		
CWRPDA O&M Reserve	\$	67,119
<u>Sewer Fund</u>		
Bond Debt Service Reserve	\$	60,812
Bond Short Lived Asset Reserve		33,540
Total Sewer Fund	\$	94,352

NOTE 10: RISK MANAGEMENT

The Town of Oak Creek, Colorado carries commercial insurance coverage for all foreseeable risks of loss. These include, but are not necessarily limited to, worker's compensation. The Town's risk of loss transfers to those carriers.

The Town has not materially changed its coverage from previous years. Based on the lack of previous loss occurrences, the Town has not recorded any liability for unpaid claims at December 31, 2020.

TOWN OF OAK CREEK, COLORADO
Notes to the Financial Statements
December 31, 2020

NOTE 10: RISK MANAGEMENT (Continued)

The Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons and property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the Town does not approve budgets nor does it have ability to significantly affect the operations of the unit.

The Town has not materially changed its coverage from previous years. Based on the lack of previous loss occurrences, the Town has not recorded any liability for unpaid claims at December 31, 2020.

REQUIRED SUPPLEMENTARY INFORMATION
(Pension Schedules – Unaudited)

TOWN OF OAK CREEK

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE
NET PENSION ASSET (LIABILITY)
FPPA SWDB Pension Plan
Last 10 Fiscal Years⁽¹⁾**

<u>Fiscal Year Ended</u>	Town's proportion of the net pension asset (liability)	Town's proportionate share of the net pension asset (liability)	Town's covered payroll	Town's proportionate share of the net pension asset (liability) as a	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2014	0.032846%	\$ 29,370	\$ 142,663	20.59%	105.83%
December 31, 2015	0.002750%	\$ 31,031	\$ 123,650	25.10%	106.83%
December 31, 2016	0.029132%	\$ 514	\$ 141,225	0.36%	100.10%
December 31, 2017	0.029031%	\$ (10,490)	\$ 148,575	7.06%	98.21%
December 31, 2018	0.018066%	\$ 25,991	\$ 105,675	24.60%	106.34%
December 31, 2019	0.011428%	\$ (14,448)	\$ 76,550	-18.87%	95.20%
December 31, 2020	0.030653%	\$ 17,336	\$ 225,925	7.67%	101.90%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

TOWN OF OAK CREEK

SCHEDULE OF TOWN CONTRIBUTIONS

FPPA SWDB Pension Plan

Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year Ended</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>Town's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
December 31, 2014	\$ 11,413	(11,413)	\$ -	\$ 142,663	8.00%
December 31, 2015	\$ 9,892	(9,892)	\$ -	\$ 123,650	8.00%
December 31, 2016	\$ 11,298	(11,298)	\$ -	\$ 141,225	8.00%
December 31, 2017	\$ 11,886	(11,886)	\$ -	\$ 148,575	8.00%
December 31, 2018	\$ 8,454	(8,454)	\$ -	\$ 105,675	8.00%
December 31, 2019	\$ 6,124	\$ (6,124)	\$ -	\$ 76,550	8.00%
December 31, 2020	\$ 18,074	\$ (18,074)	\$ -	\$ 225,925	8.00%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

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REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF OAK CREEK, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	2020				
	Original	Final		Variance	2019
	Budget	Budget	Actual	With Final	Actual
				Budget	
REVENUES					
Taxes					
Property Taxes	\$ 104,700	\$ 104,700	\$ 104,030	\$ (670)	\$ 89,196
Specific Ownership Taxes	7,000	7,000	6,761	(239)	5,993
Sales and Use Taxes	270,000	270,000	393,927	123,927	290,306
Other Taxes	1,000	1,000	782	(218)	675
Total Tax Revenue	<u>382,700</u>	<u>382,700</u>	<u>505,500</u>	<u>122,800</u>	<u>386,170</u>
Intergovernmental Revenues					
Cigarette Taxes	700	700	814	114	647
Cons Trust Fund Revenue	8,500	8,500	9,749	1,249	10,620
Highway Users	29,000	29,000	26,964	(2,036)	36,161
Road and Bridge	7,000	7,000	3,136	(3,864)	4,018
Clerk/Motor Vehicle Fees	5,300	5,300	4,776	(524)	3,732
Mineral Lease	2,000	2,000	947	(1,053)	1,679
Severance Tax	12,500	12,500	15,179	2,679	24,899
State Grants	171,000	171,000	161,820	(9,180)	479,609
Other Intergovernmental	-	-	3,020	3,020	-
Total Intergovernmental Revenue	<u>236,000</u>	<u>236,000</u>	<u>226,405</u>	<u>(9,595)</u>	<u>561,365</u>
Licenses and Permits					
Liquor Licenses	1,450	1,450	340	(1,110)	1,218
Marijuana Licenses	65,000	65,000	81,222	16,222	59,779
Animal Licenses	500	500	259	(241)	264
Total Licenses and Permits	<u>66,950</u>	<u>66,950</u>	<u>81,821</u>	<u>14,871</u>	<u>61,261</u>
Fines and Forfeits	<u>4,100</u>	<u>4,100</u>	<u>1,753</u>	<u>(2,347)</u>	<u>3,190</u>
Internal Charges					
Administrative/Management Fees	<u>104,575</u>	<u>104,575</u>	<u>104,575</u>	<u>-</u>	<u>99,050</u>
Charges for Services					
Recreation/Comm Ctr Charges	35,100	35,100	21,320	(13,780)	24,167
Other Charges for Services	<u>17,200</u>	<u>17,200</u>	<u>16,205</u>	<u>(995)</u>	<u>17,382</u>
Total Charges for Services	<u>52,300</u>	<u>52,300</u>	<u>37,525</u>	<u>(14,775)</u>	<u>41,549</u>
Investment Earnings	<u>42,000</u>	<u>42,000</u>	<u>14,019</u>	<u>(27,981)</u>	<u>40,864</u>
Other Revenues					
Donations	-	-	6,003	6,003	-
Other Miscellaneous Revenue	<u>4,400</u>	<u>4,400</u>	<u>15,852</u>	<u>11,452</u>	<u>1,174</u>
Total Other Revenue	<u>4,400</u>	<u>4,400</u>	<u>21,855</u>	<u>17,455</u>	<u>1,174</u>
TOTAL REVENUES	<u>893,025</u>	<u>893,025</u>	<u>993,453</u>	<u>100,428</u>	<u>1,194,623</u>

See accompanying Independent Auditors' Report.

(Continued)

TOWN OF OAK CREEK, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2019 Actual
(Continued)					
EXPENDITURES					
General Government					
Personnel Services	92,572	92,572	69,792	22,780	81,131
Contract labor	1,000	1,000	30,452	(29,452)	486
Equipment Rentals	400	400	1,020	(620)	450
Insurance	18,975	18,975	28,003	(9,028)	16,006
Professional Fees	34,000	34,000	25,465	8,535	27,705
Repairs and Maintenance	21,000	21,000	21,904	(904)	26,725
Supplies	12,000	12,000	10,422	1,578	10,987
Telephone and Utilities	10,000	10,000	12,200	(2,200)	9,328
Travel and Training	5,200	5,200	6,387	(1,187)	3,572
Overhead	(40,110)	(40,110)	(65,254)	25,144	(47,533)
Other Expenses	58,500	58,500	11,461	47,039	54,334
Total General Government	213,537	213,537	151,852	61,685	183,191
Public Safety					
Personnel Services	266,438	266,438	236,752	29,686	246,138
Fuel and Automotive	4,500	4,500	2,304	2,196	1,961
Professional Fees	6,170	6,170	3,111	3,059	3,491
Repairs and Maintenance	10,000	10,000	14,944	(4,944)	2,203
Supplies	6,000	6,000	4,779	1,221	3,022
Telephone and Utilities	2,500	2,500	2,166	334	2,009
Travel and Training	8,200	8,200	4,971	3,229	6,642
Other Expenses	3,000	3,000	3,472	(472)	3,973
Total Public Safety	306,808	306,808	272,499	34,309	269,439
Public Works					
Personnel Services	63,661	63,661	52,844	10,817	54,509
Contract Labor	1,000	1,000	500	500	12,934
Equipment Rentals	1,000	1,000	-	1,000	-
Fuel and Automotive	13,000	13,000	18,929	(5,929)	14,950
Insurance	2,000	2,000	1,715	285	1,676
Professional Fees	2,500	2,500	620	1,880	2,476
Repairs and Maintenance	49,400	49,400	35,994	13,406	48,766
Supplies	14,200	14,200	10,508	3,692	5,518
Telephone and Utilities	22,100	22,100	22,552	(452)	22,512
Travel and Training	1,000	1,000	112	888	-
Other Expenses	(50,025)	(50,025)	(61,425)	11,400	(64,403)
Total Public Works	119,836	119,836	82,349	37,487	98,938

See accompanying Independent Auditors' Report.

(Continued)

TOWN OF OAK CREEK, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2019 Actual
(Continued)					
Parks, Recreation and Other					
Personnel Services	101,872	101,872	107,386	(5,514)	76,138
Contract labor	2,500	2,500	402	2,098	492
Equipment Rentals	3,865	3,865	4,085	(220)	3,865
Fuel and Automotive	1,200	1,200	646	554	3,027
Professional Fees	2,500	2,500	306	2,194	1,204
Repairs and Maintenance	6,850	6,850	2,346	4,504	4,416
Supplies	11,500	11,500	16,918	(5,418)	17,057
Telephone and Utilities	11,300	11,300	16,542	(5,242)	14,640
Travel and Training	800	800	480	320	772
Other Expenses	10,200	10,200	8,917	1,283	6,192
Total Parks, Recreation & Other	<u>152,587</u>	<u>152,587</u>	<u>158,028</u>	<u>(5,441)</u>	<u>127,803</u>
Capital Outlay					
General Government Capital Outlay	5,000	5,000	2,577	2,423	1,604
Public Safety Capital Outlay	-	-	-	-	(154,898)
Public Works Capital Outlay	5,000	5,000	-	5,000	160,108
Parks, Recreation and Other Capital Outlay	<u>50,000</u>	<u>50,000</u>	<u>5,805</u>	<u>44,195</u>	<u>498,346</u>
Total Capital Outlay	<u>60,000</u>	<u>60,000</u>	<u>8,382</u>	<u>51,618</u>	<u>505,160</u>
Debt Service					
Principal	<u>48,400</u>	<u>48,400</u>	<u>43,988</u>	<u>4,412</u>	<u>44,028</u>
TOTAL EXPENDITURES	<u>901,168</u>	<u>901,168</u>	<u>717,098</u>	<u>184,070</u>	<u>1,228,559</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(8,143)	(8,143)	276,355	284,498	(33,936)
OTHER FINANCING SOURCES (USES)					
Debt Proceeds	<u>(13,100)</u>	<u>(13,100)</u>	-	<u>(13,100)</u>	-
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (21,243)</u>	<u>\$ (21,243)</u>	276,355	<u>\$ 271,398</u>	(33,936)
Budget to GAAP Basis Reconciliation					
Debt Proceeds			-		154,898
Capital Outlay			-		(154,898)
NET CHANGE IN FUND BALANCE - GAAP BASIS			276,355		(33,936)
FUND BALANCE, BEGINNING			<u>143,812</u>		<u>177,748</u>
FUND BALANCE, ENDING			<u>\$ 420,167</u>		<u>\$ 143,812</u>

See accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

TOWN OF OAK CREEK, COLORADO

COMBINING SCHEDULE OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

DECEMBER 31, 2020

With Comparative Totals for December 31, 2019

	Trash Fund	Total	
		2020	2019
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Investments	\$ (15,269)	\$ (15,269)	\$ 2,242
Receivables			
Utility Receivable	15,399	15,399	11,801
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 130</u>	<u>\$ 130</u>	<u>\$ 14,043</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ -	\$ -	\$ 10,938
NET POSITION			
Unrestricted Net Position	130	130	3,105
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 130</u>	<u>\$ 130</u>	<u>\$ 14,043</u>

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK, COLORADO

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	Trash	Total	
	Fund	2020	2019
Operating Revenues			
Utility Charges	\$ 137,132	\$ 137,132	\$ 134,310
Operating Expenses			
Management Fees	5,281	5,281	3,700
Personnel Services	7,602	7,602	6,660
Professional Fees	132,881	132,881	127,474
Other Operating Expenses	243	243	573
Total Expenditures	146,007	146,007	138,407
Operating Income (Loss)	(8,875)	(8,875)	(4,097)
Transfers			
Transfers In/(Out)	5,900	5,900	-
Change in Net Position	(2,975)	(2,975)	(4,097)
Net Position, Beginning	3,105	3,105	7,202
Net Position, Ending	\$ 130	\$ 130	\$ 3,105

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK

COMBINING SCHEDULE OF CASH FLOWS -

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	Trash Fund	Total	
		2020	2019
Cash Flows From Operating Activities:			
Cash Received from Customers	\$ 133,535	\$ 133,535	\$ 133,602
Cash Paid to Suppliers	(146,476)	(146,476)	(119,349)
Cash Paid for Interfund Services	(5,281)	(5,281)	(3,700)
Cash Paid to Employees	(5,189)	(5,189)	(4,421)
Net Cash Provided by Operating Activities	(23,411)	(23,411)	6,132
Cash Flows (Uses) From Noncapital Financing Activities:			
Cash from Other Funds	5,900	5,900	-
Net Increase (Decrease) in Cash	(17,511)	(17,511)	6,132
Cash - Beginning	2,242	2,242	(3,890)
Cash - Ending	\$ (15,269)	\$ (15,269)	\$ 2,242
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:			
Operating Income (Loss)	\$ (8,875)	\$ (8,875)	\$ (4,097)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Changes in Assets and Liabilities Related to Operations:			
(Increase) Decrease in:			
Utility Receivable	(3,597)	(3,597)	(708)
Accounts Payable	(10,939)	(10,939)	10,937
Net Cash Used for Operating Activities	\$ (23,411)	\$ (23,411)	\$ 6,132

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Electric Fund

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	2020			
	Final		Variance	2019
	Budget	Actual	with Final	Actual
			Budget	
Operating Revenues				
Utility Charges	\$ 1,378,369	\$ 1,386,207	\$ 7,838	\$ 1,219,092
Other Charges for Services	1,000	140	(860)	2,544
Total Revenues	<u>1,379,369</u>	<u>1,386,347</u>	<u>6,978</u>	<u>1,221,636</u>
Operating Expenses				
Management Fees	94,204	104,778	(10,574)	95,283
Personnel Services	220,614	212,394	8,220	200,483
Commodity Charges	694,000	660,092	33,908	647,675
Administrative/Office Expenses	1,000	640	360	178
Insurance	15,125	30,546	(15,421)	11,652
Operating Supplies	22,000	97,197	(75,197)	9,095
Professional Fees	10,000	-	10,000	7,639
Repairs and Maintenance	25,500	26,931	(1,431)	6,534
Travel and Training	2,000	70	1,930	-
Telephone and Utilities	4,500	6,862	(2,362)	5,722
Other Operating Expenses	3,000	5,264	(2,264)	8,906
Other Capital Outlay	182,400	42,865	139,535	14,972
Total Expenditures	<u>1,274,343</u>	<u>1,187,639</u>	<u>86,704</u>	<u>1,008,139</u>
Operating Income (Loss)	105,026	198,708	93,682	213,497
Other Income (Expense)				
Other Revenue	500	81,235	80,735	-
Debt Service	(48,205)	(12,909)	35,296	(39,446)
Total Other Income (Expense)	<u>(47,705)</u>	<u>68,326</u>	<u>116,031</u>	<u>(39,446)</u>
Net Income (Loss) before Transfers	57,321	267,034	209,713	174,051
Transfers				
Transfers In/(Out)	-	(5,900)	(5,900)	-
Change in Net Position (Budget Basis)	<u>\$ 57,321</u>	<u>261,134</u>	<u>\$ 203,813</u>	<u>174,051</u>
Budget to GAAP Reconciliation				
Principal Paid		11,999		34,139
Depreciation Expense		(36,148)		(36,148)
Change in Net Position - GAAP Basis		236,985		172,042
Net Position, Beginning		<u>1,693,548</u>		<u>1,521,506</u>
Net Position, Ending		<u>\$ 1,930,533</u>		<u>\$ 1,693,548</u>

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Water Fund

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	2020			
	Final		Variance	2019
	Budget	Actual	with Final	Actual
			Budget	
Operating Revenues				
Utility Charges	\$ 458,100	\$ 421,806	\$ (36,294)	\$ 376,902
Other Charges for Services	100	-	(100)	294
Total Revenues	<u>458,200</u>	<u>421,806</u>	<u>(36,394)</u>	<u>377,196</u>
Operating Expenses				
Management Fees	52,829	63,403	(10,574)	61,107
Personnel Services	126,490	117,600	8,890	112,321
Administrative/Office Expenses	325	275	50	275
Insurance	9,725	9,227	498	8,136
Operating Supplies	18,200	13,800	4,400	14,737
Professional Fees	6,000	300	5,700	4,638
Repairs and Maintenance	15,800	9,234	6,566	28,409
Travel and Training	2,000	46	1,954	177
Treatment	13,800	9,278	4,522	3,555
Telephone and Utilities	20,000	25,325	(5,325)	24,260
Other Operating Expenses	2,000	3,358	(1,358)	3,379
Other Capital Outlay	200,000	130,487	69,513	111,514
Total Expenditures	<u>467,169</u>	<u>382,333</u>	<u>84,836</u>	<u>372,508</u>
Operating Income (Loss)	<u>(8,969)</u>	<u>39,473</u>	<u>48,442</u>	<u>4,688</u>
Other Income (Expense)				
Other Revenue	250	-	(250)	-
Debt Service	(90,800)	(71,226)	19,574	(71,225)
Total Other Income (Expense)	<u>(90,550)</u>	<u>(71,226)</u>	<u>19,324</u>	<u>(71,225)</u>
Net Income (Loss) before Transfers	<u>(99,519)</u>	<u>(31,753)</u>	<u>67,766</u>	<u>(66,537)</u>
Contributed Capital				
Plant Investment Fees	5,500	10,480	4,980	5,240
Intergovernmental Revenue	15,000	4,641	(10,359)	33,602
Total Contributed Capital	<u>20,500</u>	<u>15,121</u>	<u>(5,379)</u>	<u>38,842</u>
Change in Net Position (Budget Basis)	<u>\$ (79,019)</u>	<u>(16,632)</u>	<u>\$ 62,387</u>	<u>(27,695)</u>
Budget to GAAP Reconciliation				
Principal Paid		61,372		56,138
Depreciation Expense		(186,839)		(187,296)
Capital Outlay		<u>111,858</u>		<u>74,442</u>
Change in Net Position - GAAP Basis		<u>(30,241)</u>		<u>(84,411)</u>
Net Position, Beginning		<u>5,680,911</u>		<u>5,765,322</u>
Net Position, Ending		<u>\$ 5,650,670</u>		<u>\$ 5,680,911</u>

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Sewer Fund

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	2020			
	Final		Variance	2019
	Budget	Actual	with Final	Actual
			Budget	
Operating Revenues				
Utility Charges	\$ 359,820	\$ 337,261	\$ (22,559)	\$ 336,617
Other Charges for Services	1,850	730	(1,120)	733
Total Revenues	<u>361,670</u>	<u>337,991</u>	<u>(23,679)</u>	<u>337,350</u>
Operating Expenses				
Management Fees	47,329	57,903	(10,574)	53,033
Personnel Services	121,810	117,195	4,615	111,683
Insurance	7,800	7,400	400	6,539
Operating Supplies	6,000	7,313	(1,313)	3,837
Professional Fees	5,000	715	4,285	-
Repairs and Maintenance	5,500	879	4,621	10,627
Travel and Training	500	-	500	-
Treatment	11,000	16,721	(5,721)	13,293
Telephone and Utilities	27,500	29,307	(1,807)	29,770
Other Operating Expenses	700	208	492	-
Other Capital Outlay	25,000	500	24,500	16,508
Total Expenditures	<u>258,139</u>	<u>238,141</u>	<u>19,998</u>	<u>245,290</u>
Operating Income (Loss)	<u>103,531</u>	<u>99,850</u>	<u>(3,681)</u>	<u>92,060</u>
Other Income (Expense)				
Investment Earnings	50	43	(7)	64
Other Revenue	8,750	-	(8,750)	-
Debt Service	(58,500)	(66,315)	(7,815)	(66,326)
Total Other Income (Expense)	<u>(49,700)</u>	<u>(66,272)</u>	<u>(16,572)</u>	<u>(66,262)</u>
Net Income (Loss) before Transfers	53,831	33,578	(20,253)	25,798
Contributed Capital				
Plant Investment Fees	5,500	10,480	4,980	5,240
Change in Net Position (Budget Basis)	<u>\$ 59,331</u>	<u>44,058</u>	<u>\$ (15,273)</u>	<u>31,038</u>
Budget to GAAP Reconciliation				
Principal Paid		23,108		19,360
Depreciation Expense		(129,378)		(129,099)
Capital Outlay		-		16,508
Change in Net Position - GAAP Basis		(62,212)		(62,193)
Net Position, Beginning		<u>3,790,024</u>		<u>3,852,217</u>
Net Position, Ending		<u>\$ 3,727,812</u>		<u>\$ 3,790,024</u>

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Trash Fund

FOR THE YEAR ENDED DECEMBER 31, 2020

With Comparative Totals for the Year Ended December 31, 2019

	2020			
	Final		Variance	2019
	Budget	Actual	with Final	Actual
			Budget	
Operating Revenues				
Utility Charges	\$ 154,500	\$ 137,132	\$ (17,368)	\$ 134,310
Operating Expenses				
Management Fees	3,348	5,281	(1,933)	3,700
Personnel Services	6,813	7,602	(789)	6,660
Professional Fees	135,900	132,881	3,019	127,474
Other Operating Expenses	-	243	(243)	573
Total Expenditures	146,061	146,007	54	138,407
Net Income (Loss) before Transfers	8,439	(8,875)	(17,314)	(4,097)
Transfers				
Transfers In/(Out)	-	5,900	5,900	-
Change in Net Position (Budget Basis)	\$ 8,439	(2,975)	\$ (11,414)	(4,097)
Net Position, Beginning		3,105		7,202
Net Position, Ending		\$ 130		\$ 3,105

See 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:	Town of Oak Creek
		YEAR ENDING : December 2020	
This Information From The Records Of (example - City of _ or County of		Prepared By: Phone:	

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	52,783
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	2,385	b. Snow and ice removal	52,783
3. Other local imposts (from page 2)	138,089	c. Other	
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	52,783
5. Transfers from toll facilities		4. General administration & miscellaneous	1,548
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	65,100
a. Bonds - Original Issues		6. Total (1 through 5)	172,214
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	140,474	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government		2. Notes:	
(from page 2)	31,740	a. Interest	
D. Receipts from Federal Government		b. Redemption	
(from page 2)	0	c. Total (a. + b.)	0
E. Total receipts (A.7 + B + C + D)	172,214	3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	172,214

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	172,214	172,214		(0)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2020	

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	131,329	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	6,761	g. Other Misc. Receipts	
6. Total (1. through 5.)	138,089	h. Other	
c. Total (a. + b.)	138,089	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	26,964	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	4,776	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	4,776	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	31,740	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			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments: