Town of Orchard City
Financial Statements and Report of
Independent Certified Public Accountants
as of
December 31, 2020

Town of Orchard City
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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Orchard City, Colorado

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 Town of Orchard City, Colorado, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town of Orchard City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Orchard City, 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 accordance with accounting principles generally accepted in the United States of America.

Certified Public Accountants

105 S.E. Frontier Ave, Suite A Cedaredge, CO 81413 | 970-856-7550 | 970-856-2122 | www.bandacpas.com

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3–10 and 33-36 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Orchard City, Colorado's basic financial statements. The Statement and Schedules of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual for the Conservation Trust Fund and Enterprise funds and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Statement and Schedules of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual for the Conservation Trust Fund and Enterprise funds and Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 Statement and Schedules of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual for the Conservation Trust Fund and Enterprise funds and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Blair and Associates, P.C.

Cedaredge, Colorado
August 9, 2021

Management's Discussion and Analysis

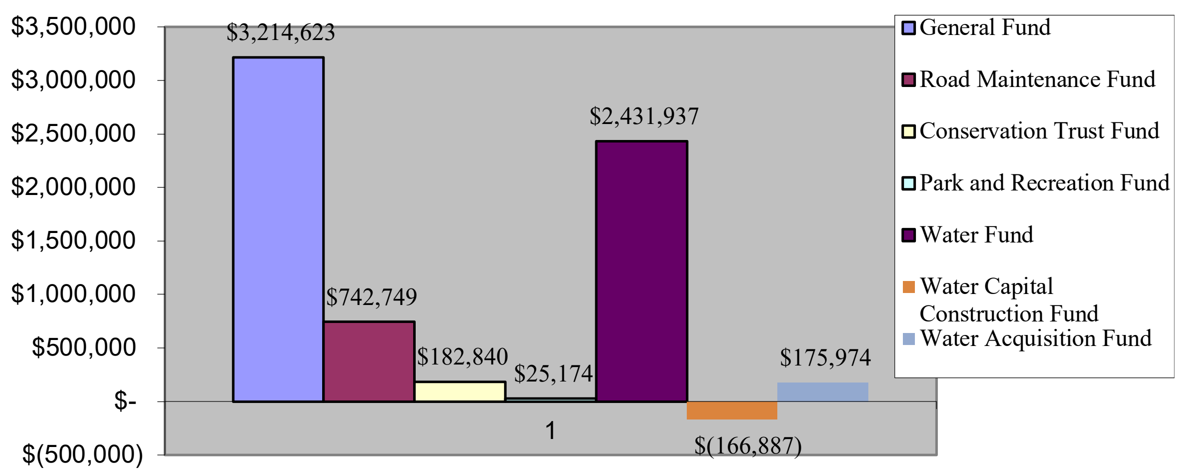
As management of the Town of Orchard City, we offer readers of the Town of Orchard City Financial statements, this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the Town of Orchard City.

FINANCIAL HIGHLIGHTS

- Town of Orchard City is in healthy financial condition.

  See Governmental Fund Balances and Available Resources chart.

Governmental Fund Balances and Available Resources



- Orchard City's net position amounted to $ 19,744,262 *(refer to statement of activities)* at the end of the year, a reported increase of $ 1,249,565 for the fiscal year.

- Governmental funds reported combined ending fund balances of $ 4,165,386 (*refer to statement of revenues, expenditures, and changes in fund balances)*, a reported increase of $ 195,268 for the fiscal year.

- Orchard City's unassigned fund balance for the general fund was $ 3,205,864 *(refer to balance sheet)*, an increase of $ 176,335 in comparison to the prior year.

- At December 31, 2020, the Town's General fund did have $ 8,759 reserved for emergencies which was the balance equal to at least 3% of the general fund appropriations as the required state mandated emergency reserve.

- The Town has one long-term liability for compensated absences of $ 29,428.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private sector business.

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

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

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (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 include general government, public works, and culture and recreation. The business type activities include water activities.

Fund financial statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The Town funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditure and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The governmental funds are separated into following major funds: General, Road Maintenance and Park and Recreation Funds.

An annual appropriated budget is adopted for all governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

Proprietary funds

Proprietary funds are maintained as follows:

Enterprise funds are mirrored to report the same functions presented as business-type activities in the government wide financial statements, only in more detail. The enterprise fund is used to account for water operations. The proprietary fund financial statements provide separate information for water operations which are considered to be a major fund.

Notes to financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by the Governmental Accounting Standards Board.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

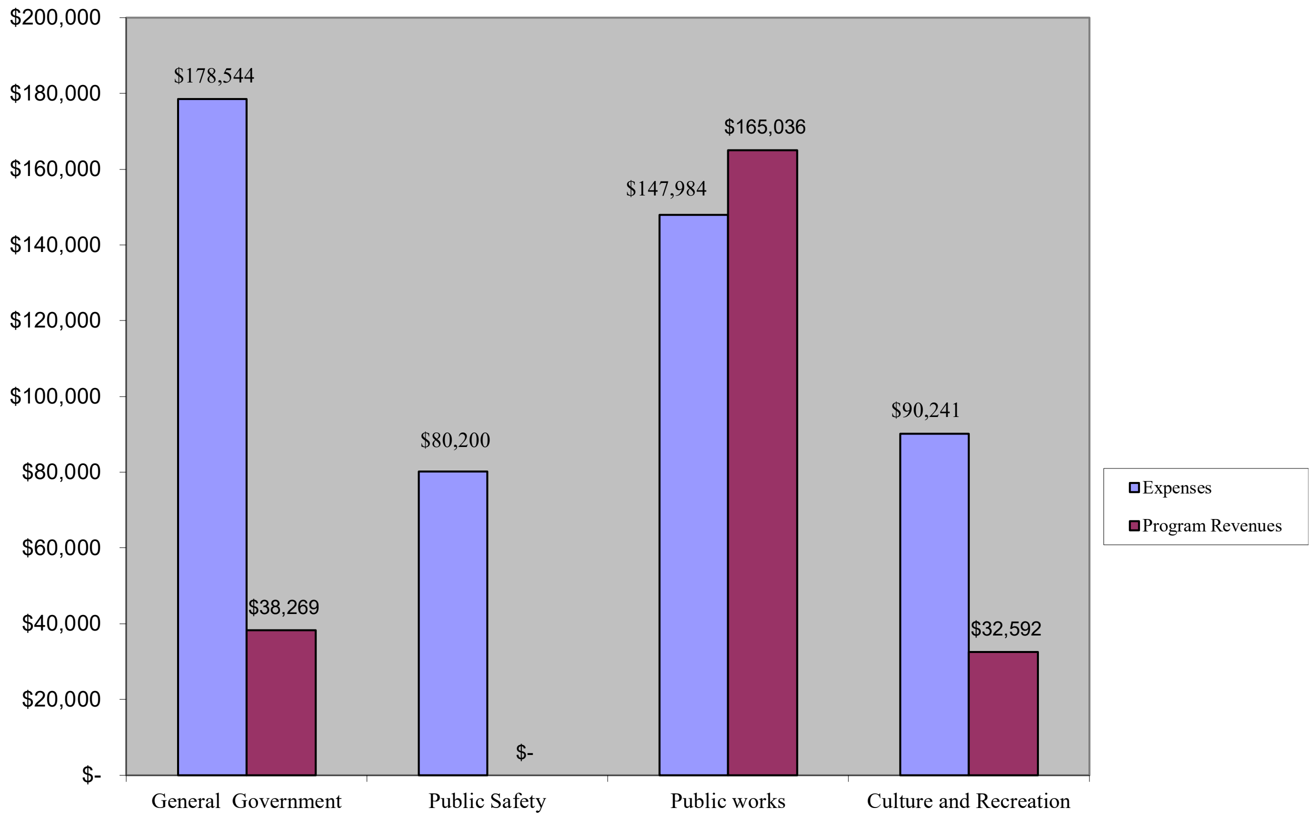
The following table summarizes the Town's governmental and business type net position for 2020 and 2019.

Assets	Governmental Activities 2020	Governmental Activities 2019	Business Type Activities 2020	Business Type Activities 2019	Totals 2020	Totals 2019
Current and other assets	$ 4,168,094	$ 3,972,203	$ 2,850,382	$ 3,569,597	$ 7,018,476	$ 7,541,800
Capital assets	3,044,439	3,040,738	10,122,841	7,954,469	13,167,280	10,995,207
Total assets	$ 7,212,533	$ 7,012,941	$ 12,973,223	$ 11,524,066	$ 20,185,756	$ 18,537,007
Current Liabilities	$ 2,708	$ 2,085	$ 409,358	$ 20,527	$ 412,066	$ 22,612
Non-current liabilities						
Compensated absences	29,428	19,698	-	-	29,428	19,698
Total liabilities	32,136	21,783	409,358	20,527	441,494	42,310
Net Position						
Investment in capital assets, net of related debt	3,044,439	3,040,738	10,122,841	7,954,469	13,167,280	10,995,207
Restricted	18,486	22,450	-	-	18,486	22,450
Unrestricted	4,117,472	3,927,970	2,441,024	3,549,070	6,558,496	7,477,040
Total net position	$ 7,180,397	$ 6,991,158	$ 12,563,865	$ 11,503,539	$ 19,744,262	$ 18,494,697

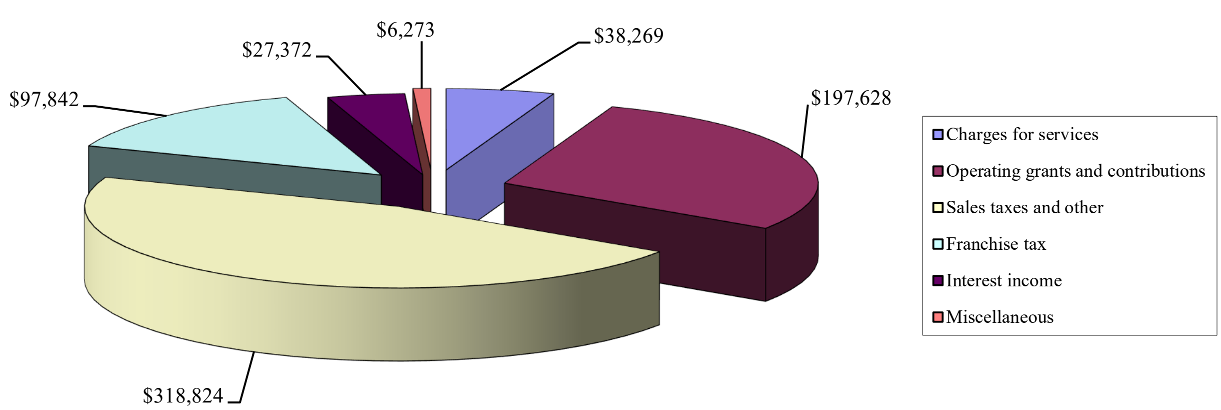
At the close of 2020 total net position was $ 19,744,262, an increase of $ 1,249,565 from prior year. In governmental activities the largest portion of assets are in cash and cash equivalents and capital assets of $4,114,218 and $3,044,439 respectfully, (99% of total net position). An additional portion of net position, $ 18,486, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $ 6,558,496 (33% of net position), may be used to meet the government's ongoing obligations to citizens and creditors.

Revenues	Governmental Activities 2020	Governmental Activities 2019	Business Type Activities 2020	Business Type Activities 2019	Total 2020	Total 2019
Program revenues						
Charges for services	$ 38,269	$ 37,616	$ 1,111,925	$ 1,036,801	$ 1,150,194	$ 1,074,417
Operating grants	197,628	253,224	-	-	197,628	253,224
Capital grants/contributions	-	-	842,157	84,500	842,157	84,500
General Revenues						
Sales taxes and other	318,824	281,573	-	-	318,824	281,573
Franchise taxes	97,842	94,219	-	-	97,842	94,219
Interest income	27,372	82,591	22,199	74,558	49,571	157,149
Miscellaneous	6,273	9,937	6,112	10,388	12,385	20,325
Totals	686,208	759,160	1,982,393	1,206,247	2,668,601	1,965,407
Expenses						
General government	178,544	170,940			178,544	170,940
Public safety	80,200	107,948			80,200	107,948
Public works	147,984	143,824	922,067	892,678	1,070,051	1,036,502
Culture and recreation	90,241	97,791			90,241	97,791
Total expenses	496,969	520,503	922,067	892,678	1,419,036	1,413,181
Increase in net assets	189,239	238,657	1,060,326	313,569	1,249,565	552,226
Beginning	6,991,158	6,752,501	11,503,539	11,189,970	18,494,697	17,942,471
Ending	$ 7,180,397	$ 6,991,158	$ 12,563,865	$ 11,503,539	$ 19,744,262	$ 18,494,697

2019 Expense and Program Revenues-Governmental Activities



Revenues by Source-Governmental Activities



FINANCIAL ANALYSIS OF GOVERNEMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds

The focus of government funds is to provide information on near term inflows, outflows and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of 2020, the Town's governmental funds reported combined ending fund balances, *(refer to Statement of Revenues, Expenditures and Changes in Fund Balances),* of $ 4,165,386, an increase of $ 195,268. Of the combined ending fund balances for all governmental funds 77% of this total amount, $ 3,205,864, constitutes unassigned fund balance, which is available for appropriation at the Town's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it is already committed to 1) meet a state constitution mandated emergency reserve, $18,486 2) Conservation Trust and Park Maintenance Funds, $ 206,322 or 3) Road Projects $ 734,714.

The following discussion is to help define what the Town's major funds are and how they function.

The General Fund is the primary operating fund for the Town of Orchard City. It accounts for all financial resources of general government. These activities include planning commission, building inspections, code enforcement, legal matters and elections. At the end of 2020, unassigned fund balance of the General Fund was $ 3,205,864, while $ 3,179,224 was in cash and cash equivalents. The General Fund balance increased by $ 176,335 during 2020.

The Road Maintenance Fund accounts for public works and road maintenance for the Town. Primarily Highway Users Tax Fund finances this fund. At the end of 2020 the fund balance for the Road Maintenance Fund was $742,749.

The Park and Recreation Fund is to account for revenues and expenditure for the maintenance of the park. At the end of 2020 the fund balance for the Park and Recreation Fund was $25,174.

Proprietary funds

The Town of Orchard City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Town has three enterprise funds referred to as the Water, Capital Construction and Water Acquisition Funds. The total net position in the enterprise funds as of December 31, 2020 amounted to $ 12,563,865. The total net position increased by $ 1,060,326.

GENERAL FUND BUDETARY HIGHLIGHTS

The Town can look for county sales tax revenue to increase due to online sales.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town of Orchard City's investment in capital assets for its governmental and business type activities as of December 31, 2020 amounts to $ 13,167,280, an increase of $ 2,172,073 from the prior year. As required by GABS 34, the investment capital assets include land, buildings, building improvements, and equipment.

Long Term Debt

The Town of Orchard City's only long-term debt is unpaid paid time off to its employees, which as of December 31, 2020 amounted to $ 29,428.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town of Orchard City does not receive tax revenue directly from its citizens. The Town does not levy a property or a sales tax. The Town also does not have business licenses or a zoning code. Most of the Town's revenue is received from funds that are collected by other governmental agencies such as the Highway User Tax Fund, the County Sales Tax and Mineral Lease and Severance payments. Because of this arrangement, Town revenues are tied directly to the local and state economies. As far as revenue is measured, the Delta County area has not seen quite as dramatic a decrease as some other counties and cities in the State. However, the Town anticipates a continued decline in revenue. The Town plans for this by budgeting both revenue and expenditures very conservatively.

The State Legislature made changes to the fees that go into the Highway User Tax Fund. These have been fee increases so the total amount of revenue has increased. However, this increase has not been as large as expected and this could be a result of the price of gasoline and the sluggish economy. Revenue that is billed and received directly by the Town mainly consists of fees and charges in the water funds. The Water Fund is a self-supporting fund which collects, treats and distributes drinking water to our customers. The Town did raise water rates in 2017, for the first time in 10 years, to ensure the Water Fund continues to pay for itself because of its fees and the fact that water use is not as directly tied to economic conditions as some of the other revenues are. Annual review of fees will be performed to ensure future water capital improvement projects can continue. The Town will be seeking grant funding from the Department of Local Affairs (DOLA) and loans from the State Revolving Funds (SFR) for the addition of a third filter at the treatment plant. The new addition will create redundancy to protect the current water users of the system.

The Town continues to closely monitor its revenues and expenditures. This conservative fiscal approach will be used as the Town prepares its 2020 budget and ten-year financial projections.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the finances of the Town of Orchard City. For additional information or questions related to this report please contact the following:

Town of Orchard City
9661 2100 Road
Austin, CO 81410
970-835-3337

Town of Orchard City
Statement of Net Position
December 31, 2020

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and cash equivalents (Note 5)	$ 4,114,218	$ 2,104,066	$ 6,218,284
Due from other governmental units	34,985	455,563	490,548
Accounts receivable	12,440	118,756	131,196
Inventory of supplies	6,451	171,997	178,448
Capital assets (Note 9)			
Nondepreciable	322,258	3,817,850	4,140,108
Depreciable, net of accumulated depreciation	2,722,181	6,304,991	9,027,172
Total assets	7,212,533	12,973,223	20,185,756
LIABILITIES			
Accounts payable	651	405,244	405,895
Accrued payroll	1,148	4,114	5,262
Other accrued expenses	909	-	909
Long-term liabilities			
Due more than one year:			
Compensated absences (Note 1)	29,428	-	29,428
Total liabilities	32,136	409,358	441,494
NET POSITION			
Investment in capital assets, net of related debt	3,044,439	10,122,841	13,167,280
Restricted for:			
Emergencies	18,486	-	18,486
Unrestricted	4,117,472	2,441,024	6,558,496
Total net position	$ 7,180,397	$ 12,563,865	$ 19,744,262

See accompanying notes to the basic financial statements.

Town of Orchard City
Statement of Activities
For the Year Ended December 31, 2020

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Service and Fees**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary government:				
Governmental activities:				
General government	$ 178,544	$ 38,269	$ -	$ -
Public safety	80,200	-	-	-
Public Works	147,984	-	165,036	-
Culture and recreation	90,241	-	32,592	-
Total governmental activities	496,969	38,269	197,628	-
Business-type activities:				
Water	922,067	1,111,925	-	842,157
Total business- type activities	922,067	1,111,925	-	842,157
Total primary government	$ 1,419,036	$ 1,150,194	$ 197,628	$ 842,157

General Revenues
Sales taxes
Franchise taxes
Mineral Leasing
Severance tax
Miscellaneous
Investment earnings
Gain on sale of assets
Total General Revenues

Changes in Net Position
Net Position-January 1
Net Position-December 31

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (140,275)	$ -	$ (140,275)
(80,200)	-	(80,200)
17,052	-	17,052
(57,649)	-	(57,649)
(261,072)	-	(261,072)
-	1,032,015	1,032,015
-	1,032,015	1,032,015
(261,072)	1,032,015	770,943
301,784	-	301,784
97,842	-	97,842
7,361	-	7,361
9,679	-	9,679
6,273	1,912	8,185
27,372	22,199	49,571
-	4,200	4,200
450,311	28,311	478,622
189,239	1,060,326	1,249,565
6,991,158	11,503,539	18,494,697
$ 7,180,397	$12,563,865	$ 19,744,262

The accompanying notes are an integral part of this statement.

Town of Orchard City
Governmental Funds
Balance Sheet
December 31, 2020

	General Fund	Road Maintenance Fund	Park and Recreation Fund
Assets			
Cash and cash equivalents	$ 3,179,224	$ 726,980	$ 25,174
Due from other governments	25,263	9,722	-
Accounts receivable	12,440	-	-
Inventory of supplies	-	6,451	-
Total assets	$ 3,216,927	$ 743,153	$ 25,174
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	$ 550	$ 101	$ -
Accrued payroll	845	303	-
Other accrued expenses	909	-	-
Total liabilities	2,304	404	-
Fund balances:			
Restricted			
Reserve for emergencies	8,759	8,035	1,692
Parks and recreation	-	-	-
Committed			
Road maintenance projects	-	734,714	-
Parks and recreation	-	-	23,482
Unassigned	3,205,864	-	-
Total fund balance	3,214,623	742,749	25,174
Total liabilities and fund balance	$ 3,216,927	$ 743,153	$ 25,174

Non Major Governmental Funds	Total Governmental Funds
$ 182,840	$ 4,114,218
-	34,985
-	12,440
-	6,451
$ 182,840	$ 4,168,094
$ -	$ 651
-	1,148
-	909
-	2,708
-	18,486
182,840	182,840
-	734,714
-	23,482
-	3,205,864
182,840	4,165,386
$ 182,840	$ 4,168,094

See accompanying notes to the basic financial statements.

Town of Orchard City
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
December 31, 2020

Total fund balance, governmental funds	$4,165,386
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	3,044,439
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	(29,428)
Net Position of Governmental Activities in the Statement of Net Position	$7,180,397

See accompanying notes to the basic financial statements.

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

	General Fund	Road Maintenance Fund	Park and Recreation Fund
REVENUES			
Franchise Taxes	$ 94,380	$ -	$ 3,462
Sales Taxes	301,784	-	-
Charges for services	7,039	-	-
Licenses and permits	31,230	-	-
Intergovernmental	17,040	165,036	-
Investment earnings	21,884	5,154	-
Miscellaneous	4,290	1,803	180
Total revenues	477,647	171,993	3,642
EXPENDITURES			
Current:			
General government	160,650	-	-
Public safety	80,200	-	-
Public works	4,801	61,343	-
Culture and recreation	20,414	-	37,345
Capital outlay	2,746	115,604	-
Total expenditures	268,811	176,947	37,345
Excess (deficiency) of revenues over expenditures	208,836	(4,954)	(33,703)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	32,501
Transfers out	(32,501)	-	-
Total other financing sources (uses)	(32,501)	-	32,501
Net change to fund balance	176,335	(4,954)	(1,202)
Fund balance, January 1	3,038,288	747,703	26,376
Fund balance, December 31	$ 3,214,623	$ 742,749	$ 25,174

Non Major Governmental Funds	Total Governmental Funds
$ -	$ 97,842
-	301,784
-	7,039
-	31,230
32,592	214,668
334	27,372
-	6,273
32,926	686,208
-	160,650
-	80,200
-	66,144
25	57,784
7,812	126,162
7,837	490,940
25,089	195,268
-	32,501
-	(32,501)
-	-
25,089	195,268
157,751	3,970,118
$ 182,840	$ 4,165,386

See accompanying notes to the basic financial statements.

Town of Orchard City
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities
For the Year Ended December 31, 2020

Net change in fund balances - total governmental funds		$ 195,268
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as deprecation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		
Capital assets current additions	$ 129,871	
Depreciation expense	(126,170)	
Excess of depreciation over capital outlay		3,701
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences		(9,730)
Change in net position of governmental funds		$ 189,239

See accompanying notes to the basic financial statements.

Town of Orchard City
Statement of Net Position
Enterprise Funds
December 31, 2020

	Water Fund	Water Capital Construction Fund	Water Acquisition Fund	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 2,158,160	$ (221,318)	$ 167,224	$ 2,104,066
Accounts Receivable, net	110,006	-	8,750	118,756
Receivables from other governments	-	455,563	-	455,563
Inventory of supplies	171,997	-	-	171,997
Total current assets	2,440,163	234,245	175,974	2,850,382
Noncurrent assets:				
Capital assets:				
Land and improvements	1,535,000	-	-	1,535,000
Utility system	9,573,456	-	-	9,573,456
Buildings and improvements	181,461	-	-	181,461
Equipment	357,921	-	-	357,921
Construction in progress	2,282,850	-	-	2,282,850
Less Accumulated Depreciation	(3,807,847)	-	-	(3,807,847)
Total noncurrent assets	10,122,841	-	-	10,122,841
Total assets	$ 12,563,004	$ 234,245	$ 175,974	$12,973,223
LIABILITIES				
Current liabilities:				
Accounts payable	$ 4,112	$ 401,132	$ -	$ 405,244
Accrued payroll	4,114	-	-	4,114
Total current liabilities	8,226	401,132	-	409,358
NET POSITION				
Invested in capital assets	10,122,841	-	-	10,122,841
Unrestricted	2,431,937	(166,887)	175,974	2,441,024
Total net position	$ 12,554,778	$ (166,887)	$ 175,974	$12,563,865

See accompanying notes to the basic financial statements.

Town of Orchard City
Statement of Revenues, Expenses and Changes in Fund Net Position
Enterprise Funds
Year Ended December 31, 2020

	Water Fund	Water Capital Construction Fund	Water Acquisition Fund	Total
Operating revenues:				
Charges for services	$ 950,248	$ 133,177	$ 28,500	$ 1,111,925
Miscellaneous	1,912	-	-	1,912
Total operating revenues	952,160	133,177	28,500	1,113,837
Operating expenses:				
Personal services	515,353	-	-	515,353
Purchased services, supplies and materials	140,667	-	1,557	142,224
Repairs and maintenance	54,795	-	-	54,795
Depreciation	209,695	-	-	209,695
Total operating expenses	920,510	-	1,557	922,067
Operating income (loss)	31,650	133,177	26,943	191,770
Nonoperating revenues (expenses):				
Interest and investment revenue	13,882	7,320	997	22,199
Operating grants and contributions	-	768,057	-	768,057
Sale of assets	4,200	-	-	4,200
Total nonoperating revenues (expenses)	18,082	775,377	997	794,456
Income (loss) before Capital Contributions	49,732	908,554	27,940	986,226
Capital contributions-Tap Fees	-	74,100	-	74,100
Change in net position	49,732	982,654	27,940	1,060,326
Total net position, January 1	10,222,196	1,133,309	148,034	11,503,539
Residual transfer	2,282,850	(2,282,850)	-	-
Total net position, December 31	$ 12,554,778	$ (166,887)	$ 175,974	$12,563,865

See accompanying notes to the basic financial statements.

Town of Orchard City
Statement of Cash Flows
Enterprise Funds
Year Ended December 31, 2020

	Water Fund	Water Capital Construction Fund	Water Acquisition Fund	Total
Cash Flows From Operating Activities				
Charges for sales and services	$ 945,838	$ 133,177	$ 28,500	$ 1,107,515
Other receipts	1,912	(455,563)	-	(453,651)
Payments for personal services	(513,285)	-	-	(513,285)
Payments to suppliers	(194,165)	385,467	(1,557)	189,745
Net cash provided (used) by operating activities	240,300	63,081	26,943	330,324
Cash Flows from Noncapital Activities				
Grants and contributions	-	768,057	-	768,057
Net cash provided (used) by noncapital financing activities	-	768,057	-	768,057
Cash Flows from Capital and Related Financing Activities				
Tap fees and water rights	-	74,100	-	74,100
Acquisition of fixed assets	(95,218)	(2,282,850)	-	(2,378,068)
Proceeds from sale of assets	4,200	-	-	4,200
Net cash provided (used) by capital and related financing activities	(91,018)	(2,208,750)	-	(2,299,768)
Cash Flows from Investing Activities				
Interest on investments	13,882	7,320	997	22,199
Net increase (decrease) in cash and equivalents	163,164	(1,370,292)	27,940	(1,179,188)
Cash balances, January 1	1,994,996	1,148,974	139,284	3,283,254
Cash balances, December 31	$ 2,158,160	$ (221,318)	$ 167,224	$ 2,104,066
Reconciling of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 31,650	$ 133,177	$ 26,943	$ 191,770
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	209,695	-	-	209,695
(Increase) Decrease in receivables	(4,410)	-	-	(4,410)
(Increase) Decrease in due from state	-	(455,563)	-	(455,563)
Increase (Decrease) in accounts payables	1,297	385,467	-	386,764
Increase (Decrease) in accrued payroll	2,068	-	-	2,068
Net cash provided by (used) operating activities	$ 240,300	$ 63,081	$ 26,943	$ 330,324

See accompanying notes to the basic financial statements.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Orchard City, Colorado (the Town) have been prepared in conformity with the accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles,

The more significant of the Town's accounting policies are described below:

Financial Reporting Entity

The Town is incorporated under the laws of the State of Colorado, with a mayor and a town board. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town of Orchard City (the primary government). The Town has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respect governing board.

Government-wide Financial Statements

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

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

Note 1 - Summary of Significant Accounting Policies - (continued)

Fund Financial Statements

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

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

The Town reports the following major governmental funds:

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

Special Revenue Funds are used to account for the proceeds of special revenue sources that are restricted for specific purposes.

- Road and Maintenance Fund is to account for highway user's tax to be used for construction and maintenance of the Town's roads.

- Park and Recreation Fund is to account for lease income and taxes to maintain the Town Park.

The remaining governmental funds are aggregated and presented as non-major funds. Those funds include:

- The Conservation Trust Fund, which accounts for State of Colorado lottery funds to be used for parks and recreation services and capital investment.

Note 1 - Summary of Significant Accounting Policies - (continued)

Fund Financial Statements- (continued)

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

The Town reports the following major enterprise fund business-type activities:
- Water Fund, which account for all operations of the Town's water, services. This is primarily financed by user charges.
- Capital Construction and Acquisition Funds is to account for construction of utility systems and water.

Measurement Focus and Basis of Accounting

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

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due, and compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because generally, they are not measurable until received. Grant revenues are recognized as they are earned.

Note 1 - Summary of Significant Accounting Policies - (continued)

Measurement Focus and Basis of Accounting- (continued)

The accrual basis of accounting is utilized by the enterprise fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Deferred Outflows / Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Property taxes revenue that are related to a future period have been recorded as deferred inflows. Grants and entitlements received before eligibility requirements are met (e.g., cash advances) are recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

Cash and Cash Equivalents

For the purposes of the statement of cash flows of the enterprise fund, cash and cash equivalents consist of operating and restricted cash and highly liquid securities with an initial maturity of three months or less.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 1 - Summary of Significant Accounting Policies - (continued)

Capital Assets

Capital assets, which include property, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of one or more years, and for which the initial, individual value equals or exceeds $ 5,000.

All purchased assets are valued at cost where historical records are available and at estimated historical costs where no historical records exist. Donated assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Asset Class	Useful Life
Building and Other Improvements	20-50 years
Water System	50 years
Furniture and Equipment	3-10 years
Infrastructure	15-40 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

Long-Term Liabilities

In the government-wide financial statements, and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise fund type statement of net position.

The long-term compensated absences are serviced from revenues of the General Fund from future appropriations. No interest costs were capitalized in 2020.

Note 1 - Summary of Significant Accounting Policies - (continued)

Compensated Absences

It is the Town's policy for employees to accumulate earned but unused vacation and sick pay benefits, but employees are not entitled to be paid for sick leave upon termination. In the government-wide statements, vacation and unused compensation time is accrued when incurred and reported as a liability of the governmental and business-type activities. In the governmental funds, vacation and unused compensation time that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are not reported as expenditure.

Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as "due to/from other funds." Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventory

Inventory is valued at lower of cost (first in, first out) or market.

Accounts Receivable

The Town considers all receivables fully collectible.

Note 1 - Summary of Significant Accounting Policies - (continued)

Fund Balance

In the fund financial statements, Governmental Funds report the following classifications:

- Non-spendable fund balance amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation;
- Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance-amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance-amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Town Council has provided otherwise in its commitment or assignment actions.

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

The governmental funds balance sheet includes reconciliation between fund balances total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net change in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the governmental fund statements during the consolidation of governmental activities.

Note 3 - Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments, excluding “enterprises.” The Town’s voters on November 8, 1994, approved a ballot measure to permit the Town to collect, retain and expend the full proceeds of the Town’s sales tax, and federal and state grants.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment.

The Amendment requires that an emergency reserve be maintained at three percent of fiscal year spending. A portion of the General, Road Maintenance and Park and Recreation Fund’s fund balances are classified as restricted for emergencies as required by the Amendment. The amount restricted at December 31, 2020 was $18,486.

Note 4 - Budgets

The Town adheres to the following procedures in establishing budgetary data reflected in the financial statements:

A. By August 1st of each year, the manager shall give public notice of budget preparation for the next fiscal year. The manager asks that all Town departments, boards, commissions or citizens submit within thirty days from the notice, any request for funds under the budget being prepared.

   The manager, then prepares a proposed budget for the ensuing fiscal year and submits it to the Council no later than forty-five days prior to any date required by state law for the certification to the County of the tax levy.

B. The budget provides a complete financial plan of all Town funds and activities for the ensuing fiscal year indicating anticipated revenues, proposed operating and capital expenditures, a provision for contingencies, and anticipated net surplus or deficit for the ensuing fiscal year.

C. A public hearing on the proposed budget is held by the Council in early December.

D. The Council adopts the budget by resolution on or before the final day established by law for the certification of the ensuing year’s tax levy to the County. Adoption of the budget by the Council shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.

Note 4 - Budgets- (continued)

E. If during the fiscal year the manager determines that there are expenses in excess of those estimated in the budget, the Council by ordinance may make supplemental appropriations for the year up to the amount of such excess. To meet an emergency affecting public property, health, peace or safety, the Council may make emergency appropriations. If at any time during the fiscal year it appears probable to the manager that the revenues available will be insufficient to meet the amount appropriated, the manager reports to the Council, indicating the estimated amount of deficit, any remedial action already taken, and a recommendation as to any other steps to be taken. Any time during the fiscal year the manager may transfer part or all of any unencumbered appropriation balance within a department.

F. Budget appropriations lapse at the end of each year.

G. Expenditures may not exceed appropriations at the fund level. Budget amounts included in the financial statements are based on the final amended budget. There was one revision made to the original budget.

H. Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for long-term receivables and advances and capital lease financing which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.

Revenues	Final Budget	Actual	Variance Favorable (Unfavorable)
GAAP based revenues	$ -	$ 1,908,293	$ -
Add:			
Tap fees and water rights		74,100	
Total budgetary revenues	$ 1,044,770	$ 1,982,393	$ 937,623
Expenditures			
GAAP based expenses	$ -	$ 922,067	$ -
Add (deduct):			
Depreciation		(209,695)	
Decrease in accrued expenses			
Acquisition of capital assets		2,378,068	
Total budgetary expenses	$ 4,066,502	$ 3,090,440	$ 976,062

Note 5 - Deposits and Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. 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 the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At December 31, 2020, the carrying amount of the Town's deposits was $ 446,277 the bank balance of the Town's deposits was $656,214 of which $434,850 was covered by federal depository insurance.

The Town maintains a cash pool that is available to the General Fund, Special Revenue Funds and Enterprise Fund.

Cash and Cash Equivalents	
Cash in bank accounts	$ 446,277
Cash with county treasurer and cash on hand	1,515
ColoTrust	5,770,492
Total	$ 6,218,284

Interest rate risk-The town does not have a formal policy limiting investment maturities, other than that established by the state statue of five years, which would help manage its exposure to fair value losses from increasing interest rates.

Credit risk-Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Town's policy to limit its investments to U.S. Treasury obligations, certain U.S. government agencies securities, commercial paper, local government investment pools, repurchase agreements and money market funds.

Custodial Credit Risk- 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 investment or collateral securities that are in the possession of an outside party.

Note 5 - Deposits and Investments- (continued)

Investments

At December 31, 2020 the Town had the following investments:

	Maturities Less Than One Year	Net Asset Value
ColoTrust Plus +	$ 5,770,492	$ 5,770,492

The Town invested $5,770,492 in the Colorado Government Liquid Asset Trust (COLOTRUST). COLOTRUST is an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission administers and enforces all state statutes governing public investment pools. The investment is an external investment pool that reports at the fair value per share of the pool's underlying portfolio. The unit of account is each share held, and the value of the position is the fair value of the pool's share price multiplied by the number of shares held. For pricing and redeeming share COLOTRUST maintains a stable net asset value (NAV) of $1 per share, which approximates fair value. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables and payables. All COLOTRUST investments are reported at NAV and do not have any unfunded commitments, redemption restrictions or redemption notice periods. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+, which are both rated AAAm by Standard & Poor's. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Financial statements and information about the pool for COLOTRUST may be obtained through its website at www.colotrust.com. COLOTRUST may, without the necessity of a formal meeting of their Board, temporarily suspend the right of redemption or postpone the date of payment for redeemed shares under certain specific conditions described in their trust indenture and during any financial emergency when it is not reasonably practicable because of substantial losses which might be incurred.

Note 6 - Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Town purchases general liability and property insurance through commercial insurers to provide coverage of all losses, claims and judgments. Claims have not exceeded coverage in any of the last three fiscal years.

Note 7 - Retirement Plans

Defined Contribution Plan

The Town participates in the Colorado Retirement Association Defined Contribution Plan (CRA), a multiple-employer public employee retirement system, which is a qualified plan as defined by Internal Revenue Service Code Section 401 (A) and CRS 24.54. The plan provides retirement benefits through a defined contribution plan to participating Colorado counties, municipalities, and special districts. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Plan provisions and contribution requirements are established and may be amended by CRA and would have to be approved by the Town.

There are no unfunded past service liabilities. All of its full-time employees, who work 40 hours per week, are eligible to contribute to the plan. Employees are eligible to participate upon the first day of the payroll period following the employee’s date of hire. Both the Town and the employees contribute between 4% and 4% of the employee's monthly base salary to the plan. Employees may also make additional contributions up to a maximum of 10% of compensation.

Employees are immediately vested in their participant contributions and become vested in employer contributions to the plan over a five-year period. For the year ended December 31, 2020 the Town's total payroll was $482,232, the total covered payroll by the retirement plan was $389,250. During 2020, the Town and employees each made their respectively required contribution of $15,570, for a total of $31,140. Complete financial statements for the retirement plans may be obtained from CRA, 4949 S. Syracuse St., Suite 400, Denver, Colorado, 80237.

Note 8 - Capital Assets

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

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020
Governmental Activities				
Capital assets not being depreciated				
Land	$ 322,258	$ -	$ -	$ 322,258
Capital assets being depreciated				
Buildings	1,146,018	16,000		1,162,018
Equipment and furniture	460,867	30,669		491,536
Infrastructure	1,876,556	80,752		1,957,308
Ball fields and parks	781,819	2,450		784,269
Less: Accumulated depreciation	(1,546,780)	(126,170)		(1,672,950)
	2,718,480	3,701	-	2,722,181
Governmental Activities				
Capital assets, net	$ 3,040,738	$ 3,701	$ -	$ 3,044,439

Note 8 - Capital Assets- (continued)

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020
Business-Type Activities				
Capital assets not being depreciated				
Construction in progress	$ -	$ 2,282,850	$ -	$ 2,282,850
Land and water rights	$ 1,535,000		-	1,535,000
	$ 1,535,000	$ 2,282,850	$ -	$ 3,817,850
Capital assets being depreciated				
Buildings and improvements	178,261	3,200		181,461
Equipment and furniture	302,395	92,018	(36,492)	357,921
Distribution system	9,573,456	-		9,573,456
Less: Accumulated depreciation	(3,634,643)	(209,696)	36,492	(3,807,847)
	6,419,469	(114,478)	-	6,304,991
Business-Type Activities				
Capital assets, net	$ 7,954,469	$ 2,168,372	$ -	$ 10,122,841

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

General government	$ 21,418
Public works	77,657
Culture and recreation	27,095
	$ 126,170
Water Fund	$ 209,696

Town of Orchard City
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2020

Revenues	**Original Budget**	**Final Budget**	**Actual**	**Favorable (Unfavorable)**
Taxes:				
Franchise	$ 73,000	$ 73,000	$ 94,380	$ 21,380
	73,000	73,000	94,380	21,380
Intergovernmental				
Other taxes	1,600	1,600	2,128	528
Sales tax	180,000	180,000	301,784	121,784
Severance tax	3,000	3,000	9,679	6,679
Mineral leasing	3,000	3,000	7,361	4,361
Planning commission	500	500	7,039	6,539
Total intergovernmental	188,100	188,100	327,991	139,891
License and permits	15,309	15,309	31,230	15,921
Miscellaneous				
Interest on deposits	62,000	62,000	21,884	(40,116)
Rent	500	500	200	(300)
Other	100	100	1,962	1,862
Total revenues	339,009	339,009	477,647	138,638
Expenditures				
Salaries and benefits	90,125	90,125	64,054	26,071
Utilities	3,500	3,500	2,899	601
Telephone	1,300	1,300	818	482
Office supplies	3,700	3,700	2,973	727
Postage	1,000	1,000	980	20
Computer support	9,000	9,000	4,774	4,226
Building repairs and supplies	5,100	5,100	2,537	2,563
Trash removal	1,300	1,300	1,261	39
Janitorial services	10,621	10,621	10,710	(89)
Insurance	8,030	8,030	8,026	4
Town clothing	1,000	1,000	272	728
Dues and subscriptions	1,100	1,100	1,085	15
Newsletter	7,000	7,000	-	7,000
Website	1,850	1,850	1,839	11
Trustee fees and other	22,500	22,500	16,230	6,270
Conference and schools	5,000	5,000	166	4,834
Town picnic and other	10,000	10,000	3,158	6,842
Miscellaneous	1,448	1,448	1,298	150
Board meeting and supplies	5,000	5,000	1,575	3,425
Community room help	1,000	1,000	190	810
Planning commission	2,200	2,200	2,216	(16)
Public notices and ads	1,700	1,700	1,365	335
Professional fees	14,500	14,500	11,547	2,953
Elections	5,000	5,000	2,611	2,389
Records management	5,000	5,000	1,843	3,157
GIS update mapping	800	800	-	800
Treasurer's fees	250	250	223	27
Total general government	219,024	219,024	144,650	74,374

See accompanying notes to the basic financial statements.

Town of Orchard City
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2020

Building department				
Supplies	1,300	1,300	1,062	238
Training and meetings	700	700	3,739	(3,039)
Vehicle expense	3,000	3,000	-	3,000
Total Building department	5,000	5,000	4,801	199
Public safety				
Police protection	78,321	78,321	78,200	121
Mosquito control	11,700	11,700	-	11,700
Juvenile diversion	2,000	2,000	2,000	-
Total public safety	92,021	92,021	80,200	11,821
Donations				
Dolphin House	1,500	1,500	1,500	-
All points transportation	2,869	2,869	2,869	-
Animal control	2,000	2,000	3,000	(1,000)
Food bank	2,000	2,000	5,625	(3,625)
Student of the month	900	900	300	600
DCHA	1,000	1,000	-	1,000
Hospice	-	-	5,625	(5,625)
Other	5,905	5,905	1,495	4,410
Total donations	16,174	16,174	20,414	(4,240)
Contingency	10,000	10,000	16,000	(6,000)
Reserve	11,356	11,356	-	11,356
Capital Outlay	3,800	3,800	2,746	1,054
Total expenditures	357,375	357,375	268,811	88,564
Excess of revenues over (under) expenditures	(18,366)	(18,366)	208,836	227,202
Other Financing sources (uses)				
Transfer out	(32,501)	(32,501)	(32,501)	-
Excess of revenues and sources over and (under) expenditures and use	(50,867)	(50,867)	176,335	227,202
Fund balance - January 1	2,956,335	2,956,335	3,038,288	81,953
Fund balance - December 31	$ 2,905,468	$ 2,905,468	$ 3,214,623	$ 309,155

Town of Orchard City
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Road Maintenance Fund
For the Year Ended December 31, 2020

Revenues	**Original Budget**	**Final Budget**	**Actual**	**Favorable (Unfavorable)**
Intergovernmental				
State shared				
HUTF	$ 144,111	$ 144,111	$ 132,786	$ (11,325)
Motor vehicle fees	16,000	16,000	18,478	2,478
Motor vehicle - sales tax	2,000	2,000	2,644	644
County road and bridge	9,200	9,200	11,128	1,928
Total intergovernmental	171,311	171,311	165,036	(6,275)
Miscellaneous				
Interest on deposits	15,200	15,200	5,154	(10,046)
Other	-	-	1,803	1,803
Total revenues	186,511	186,511	171,993	(14,518)
Expenditures				
Public Works:				
Salaries and benefits	38,470	38,470	35,394	3,076
Snow removal	5,000	5,000	1,653	3,347
Travel and training	2,000	2,000	100	1,900
Vehicle expense	8,000	8,000	2,712	5,288
Improvement projects	125,000	125,000	80,752	44,248
Street sign	500	500	1,221	(721)
Miscellaneous	2,000	2,000	581	1,419
Utilities and telephone	3,800	3,800	2,618	1,182
Insurance	4,013	4,013	4,013	-
Professional fees	2,000	2,000	1,438	562
Weed Control	1,000	1,000	380	620
Repairs and maintenance	19,700	19,700	7,024	12,676
Supplies and materials-streets	10,300	10,300	4,209	6,091
Capital Outlay	82,500	82,500	34,852	47,648
Reserves	9,129	9,129	-	9,129
Total Expenditures	313,412	313,412	176,947	136,465
Excess (deficiency) of revenues over expenditures	(126,901)	(126,901)	(4,954)	121,947
Fund balance - January 1	700,969	700,969	747,703	46,734
Fund balance - December 31	$ 574,068	$ 574,068	$ 742,749	$ 168,681

See accompanying notes to the basic financial statements.

Town of Orchard City
Park and Recreation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Franchise taxes	$ 5,000	$ 5,000	$ 3,462	$ (1,538)
Lease income	1,500	1,500	-	(1,500)
Miscellaneous	2,500	2,500	180	(2,320)
Total Revenues	9,000	9,000	3,642	(5,358)
Expenditures				
Salaries and benefits	19,333	19,333	17,727	1,606
Utilities and telephone	8,700	8,700	6,619	2,081
Vehicle Expenses	4,500	4,500	830	3,670
Building maintenance	1,700	1,700	460	1,240
Landscaping	1,500	1,500	-	1,500
Insurance	4,013	4,013	4,013	-
Equipment maintenance	4,000	4,000	126	3,874
Park maintenance	18,000	18,000	4,360	13,640
Miscellaneous	2,100	2,100	1,772	328
Audit and budget	1,600	1,600	1,438	162
Total expenditures	65,446	65,446	37,345	28,101
Excess (deficiency) of revenues over expenditures	(56,446)	(56,446)	(33,703)	22,743
Other Financing Sources (Uses)				
Transfer in	32,501	32,501	32,501	-
Total other financing sources (uses)	32,501	32,501	32,501	-
Net change to fund balance	(23,945)	(23,945)	(1,202)	22,743
Fund balance, January 1	25,910	25,910	26,376	466
Fund balance, December 31	$ 1,965	$ 1,965	$ 25,174	$ 23,209

See accompanying notes to the basic financial statements.

Town of Orchard City
Conservation Trust Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
State Lottery Funds	$ 28,000	$ 28,000	$ 32,592	$ 4,592
Interest earnings	100	100	334	234
Total revenues	28,100	28,100	32,926	4,826
Expenditures				
Culture and recreation				
Capital Outlay	10,600	10,600	7,812	2,788
Miscellaneous	-	-	25	(25)
Total expenditures	10,600	10,600	7,837	2,763
Excess of revenues over (under) expenditures	17,500	17,500	25,089	7,589
Fund balance, January 1	150,382	150,382	157,751	7,369
Fund balance, December 31	$ 167,882	$ 167,882	$ 182,840	$ 14,958

Town of Orchard City
Water Fund
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Charges for services	$ 850,000	$ 850,000	$ 939,869	$ 89,869
Water station vending	3,500	3,500	-	(3,500)
Supplies and repairs	1,000	1,000	10,379	9,379
Interest on earnings	38,000	38,000	13,882	(24,118)
Sale of assets	-	-	4,200	4,200
Miscellaneous	5,000	5,000	1,912	(3,088)
Total revenues	897,500	897,500	970,242	72,742
Expenditures				
Salaries and benefits	558,100	558,100	515,353	42,747
Purchased services, supplies and materials	47,000	47,000	40,680	6,320
Repairs and maintenance	75,000	75,000	54,795	20,205
Capital outlay	113,400	113,400	105,463	7,937
Miscellaneous	6,175	6,175	2,802	3,373
Utilities	22,700	22,700	18,316	4,384
Telephone	8,200	8,200	5,229	2,971
Insurance	16,052	16,052	16,117	(65)
Professional services	8,125	8,125	3,125	5,000
Office expenses	28,050	28,050	23,025	5,025
Training and travel	5,000	5,000	1,445	3,555
Vehicle expense	19,600	19,600	10,266	9,334
Water assessments	7,100	7,100	8,198	(1,098)
Safety equipment	5,000	5,000	1,219	3,781
Total expenditures	919,502	919,502	806,033	113,469
Excess of revenues over (under) expenditures	(22,002)	(22,002)	164,209	186,211
Other Financing Sources (Uses)				
Transfer out	(1,869,774)	(1,869,774)	-	1,869,774
Total other financing sources (uses)	(1,869,774)	(1,869,774)	-	1,869,774
Net change to fund balance	(1,891,776)	(1,891,776)	164,209	2,055,985
Available resources-January 1	2,193,671	2,193,671	2,267,727	74,056
Available resources-December 31	$ 301,895	$ 301,895	$ 2,431,936	2,130,041

Town of Orchard City
Water Capital Construction Fund
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Charges for services	$ 128,544	$ 128,544	$ 131,804	$ 3,260
Grants	-	-	768,057	768,057
Tap fees	6,500	6,500	74,100	67,600
Interest	10,000	10,000	7,320	(2,680)
Meadow View line payment	2,226	2,226	1,373	(853)
Total revenues	147,270	147,270	982,654	835,384
Expenditures				
Capital outlay-New Filter For TX Plant	2,819,000	2,819,000	2,149,251	669,749
Capital outlay- Waterline Replacement	278,000	278,000	133,599	144,401
Total expenditures	3,097,000	3,097,000	2,282,850	814,150
Excess of revenues over (under) expenditures	(2,949,730)	(2,949,730)	(1,300,196)	1,649,534
Other Financing Sources (Uses)				
Transfer in	1,869,774	1,869,774	-	1,869,774
Total other financing sources (uses)	1,869,774	1,869,774	-	1,869,774
Net change to fund balance	(1,079,956) -	(1,079,956) -	(1,300,196)	(220,240)
Available resources-January 1	1,079,956	1,079,956	1,133,309	53,353
Available resources-December 31	$ -	$ -	$ (166,887)	$ (166,887)

Town of Orchard City
Water Acquisition Fund
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Water Conveyance Fee	$ -	$ -	$ 28,500	$ 28,500
Interest income	-	-	997	997
Total revenues	-	-	29,497	29,497
Expenditures				
Water shares	50,000	50,000	1,557	48,443
Total expenditures	50,000	50,000	1,557	48,443
Excess of revenues over (under) expenditures	(50,000)	(50,000)	27,940	77,940
Available resources-January 1	148,253	148,253	148,034	(219)
Available resources-December 31	$ 98,253	$ 98,253	$ 175,974	$ 77,721

COLORADO
Department of Transportation

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6. Remember to click "Save" to save any changes.

Annual Highway Finance Report - CY20

Email address: peteblaircpa@yahoo.com
City/County: Orchard City

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes

A. Receipts from local sources

2. General Fund Appropriations:	$	0.00
3. Other local imposts: *from A.3. 'Total' below)*	$	13,772.00
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	6,957.00
5. Transfers from toll facilities	$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	$	0.00
b. Bonds - Refunding Issues:	$	0.00
c. Notes:	$	0.00
SubTotal:	$	20,729.00

B. Private Contributions	$	0.00

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes (Detail)

A.3. Other local imposts

a. Property Taxes &and Assessments	$	0.00
b. Other Local Imposts		
1. Sales Taxes:	$	2,644.00
2. Infrastructure and Impact Fees:	$	0.00
3. Liens:	$	0.00
4. Licenses:	$	0.00
5. Specific Ownership and/or Other:	$	11,128.00
Total: *(a + b) carried to 'Other local imposts' above)*	$	13,772.00

A.4. Miscellaneous local receipts

a. Interest on Investments:	$	5,154.00
b. Traffic fines and Penalities:	$	0.00
c. Parking Garage Fees:	$	0.00
d. Parking Meter Fees:	$	0.00
e. Sale of Surplus Property:	$	0.00
f. Charges for Services:	$	0.00
g. Other Misc. Receipts:	$	1,803.00
h. Other:	$	0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$	6,957.00

C. Receipts from State Government

1. Highway User Taxes:	$	132,786.00
3. Other State funds:		
c. Motor Vehicle Registrations:	$	18,478.00
d. Other (Specify): Comments: undefined	$	0.00
e. Other (Specify): Comments: undefined	$	0.00
Total: *(1+3c,d,e)*	$	151,264.00

D. Receipts from Federal Government

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

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$	80,752.00
2. Maintenance:	$	0.00
3. Road and street services		
a. Traffic control operations:	$	0.00
b. Snow and ice removal:	$	1,653.00
c. Other:	$	380.00

4. General administration and miscellaneous	$	40,100.00
5. Highway law enforcement and safety	$	0.00
Total: *(A.1-5)*	$	122,885.00
B. Debt service on local obligations		
1. Bonds		
a. Interest	$	0.00
b. Redemption	$	0.00
2. Notes		
a. Interest	$	0.00
b. Redemption	$	0.00
SubTotal: *(1+2)*	$	0.00
C. Payments to State for Highways:	$	0.00
D. Payments to Toll Facilities:	$	0.00
Total Disbursements: *(A+B+C+D)*	$	122,885.00

Receipts, Disbursements & Costs

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

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	$ 0.00	$ 0.00	$ 0.00
b. Engineering Costs:	$ 0.00	$ 0.00	$ 0.00
c. Construction			
1. New Facilities:	$ 0.00	$ 0.00	$ 0.00
2. Capacity Improvements:	$ 0.00	$ 0.00	$ 0.00
3. System Preservation:	$ 0.00	$ 80,752.00	$ 80,752.00
4. System Enhancement:	$ 0.00	$ 0.00	$ 0.00
5. Total Construction:			$ 80,752.00
d. Total Capital Outlay: *(Lines A.1.a + 1.b + 1.c.5)*			$ 80,752.00

Receipts, Disbursements & Costs

IV. Local Highway Debt Status

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

Receipts, Disbursements & Costs

V - Local Road & Street Fund Balance

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliation
$ 195,734.00	$ 171,993.00	$ 122,885.00	$ 244,842.00	$ 0.00

Notes and Comments:
undefined

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