

TOWN OF BLUE RIVER
SUMMIT COUNTY, COLORADO

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT

December 31, 2019



Crady, Puca & Associates
Certified Public Accountants & Consultants

**TOWN OF BLUE RIVER
SUMMIT COUNTY, COLORADO**

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Crady, Puca & Associates

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Town of Blue River
Summit County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the Town of Blue River (the "Town"), as of and for the year ended December 31, 2019, which collectively comprise the Town's basic financial statements as listed in the table of contents and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

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 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 and each major fund of the Town of Blue River, as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages iii through ix and budgetary comparison information on pages 19 and 20 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 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Capital Fund and Local Highway and Finance Report on pages 21 to 23 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Capital Fund and Local Highway and Finance Report is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Crady, Puca & Associates

Aurora, Colorado
July 21, 2020



Management Discussion and Analysis December 31, 2019

As management of the Town of Blue River, we offer readers of the Town of Blue River's financial statements, this narrative overview and analysis of the Town's financial activities for the year ended December 31, 2019. 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 assets of the Town of Blue River exceeded the total of its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$5,094,686 (*net position*). Of this amount, \$2,077,331 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town of Blue River's total net position increased \$429,888 with revenues exceeding expenditures.
- At the close of the current fiscal year, the Town of Blue River's governmental funds reported combined fund balances of **\$2,241,480**, an increase of **\$343,705** primarily due to an increase in overall revenues.

Overview of the Financial Statements

The discussion and analysis provided here is intended to serve as an introduction to the Town of Blue River's basic financial statements. The Town of Blue River's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements.

Government-wide Financial Statements

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

The *statement of net position* presents financial information on all of the Town of Blue River's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Blue River is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town of Blue River 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 of the Town of Blue River include general government, judicial, planning/zoning, public safety, and public works. The Town of Blue River has no business-type activities.

The government-wide financial statements can be found on pages 1-2 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Blue River, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Blue River are governmental 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 assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Blue River maintains, three governmental funds, the General fund, Conservation Trust Fund and Capital Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for all major funds.

The Town of Blue River adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided for the General fund and Conservation Trust Fund to demonstrate compliance with these budgets. Budgetary comparison schedule for the Capital Fund has been provided as supplemental information.

The basic governmental fund financial statements can be found on pages 3-5 of this report.

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

The notes to the financial statements can be found on pages 6-18 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the Town of Blue River, assets exceeded liabilities and deferred inflows of resources by \$5,094,686, at the close of the most recent fiscal year.

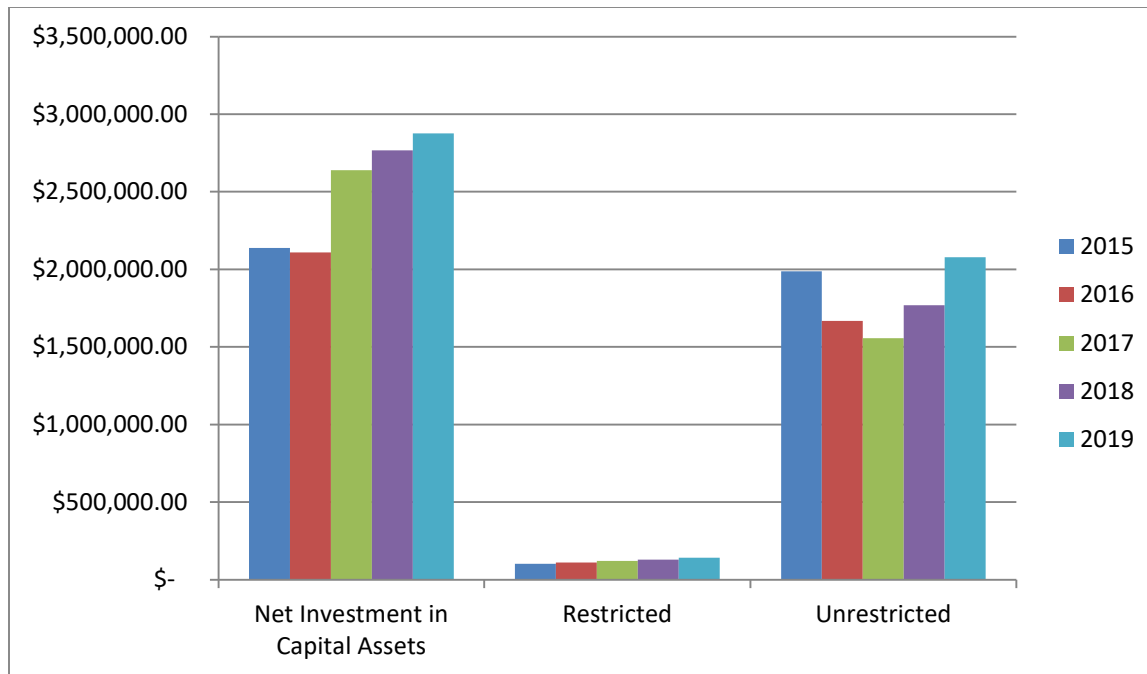
Town of Blue River's Net Position

Assets:	2019	2018
Current and other assets	\$2,915,893	\$2,454,107
Capital assets	2,883,971	2,776,906
Total assets	5,799,864	5,231,013
Liabilities		
Long-term liabilities	7,768	9,883
Other liabilities	52,612	29,300
Total liabilities	60,380	39,183
<u>Deferred inflow of resources:</u>		
Unavailable revenue-property taxes	644,798	527,032
Total deferred inflow of resources	644,798	527,032
Net Position		
Net investment in capital assets	2,876,203	2,767,023
Restricted	141,152	129,431
Unrestricted	2,077,331	1,768,344
Total net position	\$5,094,686	\$4,664,798

A portion of the Town of Blue River's net position (56%) reflects its investment in capital assets (e.g. land, buildings, cisterns, vehicles, and roads). The Town of Blue River uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending.

An additional portion of the Town of Blue River's net position (2.8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$2,077,331 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the Town of Blue River is able to report a positive net position. The same situation held true for the prior fiscal year.



The Town of Blue River's overall net position increased \$429,888 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities.

Town of Blue River's Changes in Net Position

Revenues:	2019	2018
Program revenues:		
General government	\$30,723	\$29,638
Judicial	42,199	38,711
Planning and zoning	94,089	126,592
Public works	125,117	131,196
General revenues:		
Property and specific ownership tax	555,842	556,903
Sales, lodging, and other tax	676,101	517,829
Franchise fees	69,503	63,916
Other income	14,005	8,869
Total Revenue	1,607,579	1,473,654
Expenses:		
Operating expenses:		
General government	458,867	436,151
Judicial	15,784	16,981
Planning and zoning	9,100	8,600
Public safety	173,364	149,232
Public works	520,576	454,996
Total expenses	1,177,691	1,065,960
Excess before extraordinary item	429,888	407,694
Extraordinary item		(57,938)
Change in net position	429,888	349,756
Net position, beginning of the year, restated	4,664,798	4,315,042
Net position, end of the year	\$5,094,686	\$ 4,664,798

Governmental Activities. During the current fiscal year, net position for governmental activities increased by \$429,888 from the prior fiscal year for an ending balance of \$5,094,686. The increase was due to an increase in revenues primarily in sales and lodging taxes. In addition, there was an increase in expenses with the increase in staffing levels.

Financial Analysis of Governmental Funds

As noted earlier, the Town of Blue River uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Town of Blue River's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of Blue River's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use

for a particular purpose by either an external party, the Town of Blue River itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Town of Blue River's Trustees.

The general fund is the chief operating fund of the Town of Blue River. At the end of the current fiscal year, combined unassigned fund balance was \$2,096,088 while the total combined fund balance increased to \$2,241,480. Unassigned fund balance is available for spending at the Town's discretion. The remainder of the combined fund balance is either restricted or assigned to indicate that it is 1) not spendable in form \$4,240, and 2) restricted for particular purposes \$141,152.

As a measure of the general funds liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, there were no amendments to increase either the original estimated revenues or original budgeted appropriations. The most significant differences between estimated revenues and actual revenues were as follows:

<u>Revenue Source</u>	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Intergovernmental	\$40,000	\$123,125	\$83,125
Sales, Lodging & Other Taxes	\$448,337	\$676,101	\$227,764

There was a significant increase in the Intergovernmental line due to an unexpected grant for the cisterns from Summit County Wildfire Council. Sales, Lodging & Other Taxes saw a significant increases in revenues and fees due to higher participation in the short-term rental market as well as the collection of online sales tax.

Capital Assets

The Town of Blue River's capital assets at December 31, 2019 is \$2,883,971, net of accumulated depreciation. This investment in capital assets includes land, buildings, cisterns, vehicles, park facilities, roads, and bridges. The total increase in capital assets for the current fiscal year was 3.7%.

Additional information as well as detailed classification of the Town's net capital assets can be found in the notes to the financial statements on page 14.

Long-term Debt

At the end of the current fiscal year, the Town had total debt related to a capital lease and compensated absences in the amount of \$30,765.

Additional information of the Town's long-term debt can be found in the notes to the financial statements starting on page 14.

Next Year's Budget

The following economic factors currently affect the Town and were considered in developing the 2020 fiscal year budget.

- Building and construction in the Town of Blue River continues to be steady looking into 2020.
- More homes are participating and registering for short-term rentals adding to the sales and lodging taxes in addition the collection of online sales looks to be strong.
- The Town has developed a capital improvement plan that will help to shape future capital budgets. In addition to the plan, the Town has developed a long-term strategy for funding capital projects and sustainability.
- As the Town of Blue River grows, so has the staff. There are now four full-time officers budgeted as well as full-time help for the front office.
- During the current fiscal year, the unassigned fund balance was \$2,096,088 The Town of Blue River has appropriated \$20,000 for spending in the capital fund for 2020.

Request for Information

This financial report is designed to provide a general overview of the Town of Blue River's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Administrator, 0110 Whispering Pines Circle, Blue River or PO Box 1784, Breckenridge, CO 80424.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

THE TOWN OF BLUE RIVER
Statement of Net Position
December 31, 2019

	Total Governmental Activities
Assets:	
Cash and investments	\$ 2,041,475
Accounts receivable - taxes and fees	101,494
Due from county treasurer	2,976
Government grant receivables	27,758
Prepays	4,240
Property tax receivable	644,798
Cash and investments - restricted	93,152
Capital assets:	
Non-depreciable	231,135
Depreciable, net	2,652,836
Total assets	5,799,864
Liabilities:	
Accounts payable	6,215
Accrued liabilities	23,400
Compensated absences:	
Due within one year	22,997
Long-term debt:	
Due within one year	2,336
Due in more than one year	5,432
Total liabilities	60,380
Deferred inflows of resources:	
Unavailable revenue - property taxes	644,798
Total deferred inflows of resources	644,798
Net position:	
Net investment in capital assets	2,876,203
Restricted for enabling legislation	48,000
Restricted for conservation trust fund	93,152
Unrestricted	2,077,331
Total net position	\$ 5,094,686

The accompanying notes are an integral part of this financial statement.

THE TOWN OF BLUE RIVER
Statement of Activities
For the Year Ended December 31, 2019

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Governmental activities:						
General government	\$ 458,867	\$ 30,723	\$ -	\$ -	\$ (428,144)	\$ (428,144)
Judicial	15,784	33,674	8,525	-	26,415	26,415
Planning and zoning	9,100	94,089	-	-	84,989	84,989
Public safety	173,364	-	-	-	(173,364)	(173,364)
Public works	520,576	-	70,950	54,167	(395,459)	(395,459)
Total governmental activities	1,177,691	158,486	79,475	54,167	(885,563)	(885,563)
General revenues:						
Property and specific ownership taxes					555,842	555,842
Sales, lodging and other taxes					676,101	676,101
Franchise fees					69,503	69,503
Other income					14,005	14,005
Total general revenues					1,315,451	1,315,451
Change in net position					429,888	429,888
Net position - beginning of year					4,664,798	4,664,798
Net position - end of year					\$ 5,094,686	\$ 5,094,686

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

THE TOWN OF BLUE RIVER
Balance Sheet
Governmental Funds
December 31, 2019

	General Fund	Conservation Trust Fund	Capital Fund	Total Governmental Funds
Assets:				
Cash and investments	\$ 2,041,475	\$ -	\$ -	\$ 2,041,475
Cash and investments - restricted	-	93,152	-	93,152
Accounts receivable - taxes and fees	101,494	-	-	101,494
Due from county treasurer	2,976	-	-	2,976
Government grants receivable	27,758	-	-	27,758
Property tax receivable	644,798	-	-	644,798
Prepays	4,240	-	-	4,240
Total assets	\$ 2,822,741	\$ 93,152	\$ -	\$ 2,915,893
Liabilities:				
Accounts payable	\$ 6,215	\$ -	\$ -	\$ 6,215
Accrued liabilities	23,400	-	-	23,400
Total liabilities	29,615	-	-	29,615
Deferred inflows of resources:				
Unavailable revenue - property taxes	644,798	-	-	644,798
Total deferred inflows of resources	644,798	-	-	644,798
Fund balance:				
Nonspendable, prepaids	4,240	-	-	4,240
Restricted for enabling legislation	48,000	-	-	48,000
Restricted for conservation trust fund	-	93,152	-	93,152
Unassigned	2,096,088	-	-	2,096,088
Total fund balance	2,148,328	93,152	-	2,241,480
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,822,741	\$ 93,152	\$ -	\$ 2,915,893

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

Total fund balance - governmental funds	\$ 2,241,480
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	2,883,971
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds	(30,765)
Net position of governmental activities	\$ 5,094,686

The accompanying notes are an integral part of this financial statement.

THE TOWN OF BLUE RIVER
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2019

	General Fund	Conservation Trust Fund	Capital Fund	Total Governmental Funds
Revenues:				
Property and specific ownership tax	\$ 555,842	\$ -	\$ -	\$ 555,842
Sales, lodging and other taxes	676,101	-	-	676,101
Intergovernmental	123,125	10,517	-	133,642
Franchise fees	69,503	-	-	69,503
Licenses and permits	123,662	-	-	123,662
Fines and fees	34,824	-	-	34,824
Other income	13,997	8	-	14,005
Total revenues	1,597,054	10,525	-	1,607,579
Expenditures:				
Current:				
General government	366,598	-	-	366,598
Judicial	15,784	-	-	15,784
Planning and zoning	9,100	-	-	9,100
Public safety	206,062	-	-	206,062
Public works	472,419	-	-	472,419
Capital outlay	-	-	193,911	193,911
Total expenditures	1,069,963	-	193,911	1,263,874
Excess of revenues over (under) expenditures	527,091	10,525	(193,911)	343,705
Other Financing Sources (Uses):				
Transfers In (Out)	(193,911)	-	193,911	-
Total other financing sources (uses)	(193,911)	-	193,911	-
Net change in fund balance	333,180	10,525	-	343,705
Fund balance, beginning of year	1,815,148	82,627	-	1,897,775
Fund balance, end of year	\$ 2,148,328	\$ 93,152	\$ -	\$ 2,241,480

The accompanying notes are an integral part of this financial statement.

THE TOWN OF BLUE RIVER**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund****Balance of the Governmental Fund to the Statement of Activities****For the Year Ended December 31, 2019**

	Total Governmental Funds
	<hr/>
Net change in fund balance of the governmental fund	\$ 343,705
 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 as depreciation expense. This is the amount by which capital outlay exceed depreciation in the current year.	
	107,065
 The issuance of long-term debt (e.g., bonds, notes and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental fund. Neither transaction, however, has any effect on net position.	
	2,115
 Some expenses using current financial resources are not expenses in the statement of activities.	
	<u>(22,997)</u>
Change in net position of governmental activities	<u>\$ 429,888</u>

The accompanying notes are an integral part of this financial statement.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The accounting policies of the Town of Blue River (the Town) conform to accounting principles generally accepted in the United States of America as applicable to governments (US GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of such significant policies consistently applied in the preparation of the Town's financial statements.

Reporting Entity

The Town is a statutory town (a municipal corporation), as defined by Colorado Revised Statutes, and is governed by an elected six-member Board of Trustees and an elected Mayor. The Town provides general government, judicial, public safety and public works (roads and streets) services.

The Town complies with GASB, Statement No. 61, "*The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*" and GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units*". These statements establish standards for defining and reporting on the financial reporting entity. It defines component units as legally separate entities for which the officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Town has no component units as defined by the GASB.

Basis of Presentation

While separate government-wide and fund financial statements are presented, they are interrelated. The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the governmental activities of the Town which are financed primarily by taxes such as property and sales taxes, franchise fees, and charges for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by general and program revenues. Direct expenses are those that are clearly identifiable within a specific function or program. Program revenues include 1) fees or charges to citizens and other governmental entities that receive or directly benefit from services provided by a given function or program, and 2) grants, contributions and other revenues that are restricted to use in the operational or capital requirements of a specific function or program. Other revenues not directly related to a particular function or program, if any, are reported separately as general revenues. The Town does not have proprietary or fiduciary funds.

The fund financial statements provide information about the government's funds.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

1. **Summary of Significant Accounting Policies (continued)**

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The exceptions to this general rule are that principal and interest on general long-term debt and expenditures related to compensated absences are recognized when due.

The major sources of revenue susceptible to accrual are property tax, sales tax, franchise taxes, licenses and fees. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met and the amount is received within the availability period. All other revenue items are considered to be measurable and available when cash is received by the Town.

The Town reports the following governmental funds:

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 a separate fund.

Conservation Trust Fund - is a special revenue fund used to account for funds received from the Colorado Lottery. As stipulated by law, expenditures are limited to parks and recreation activities.

Capital Projects Fund – is used to account for major capital outlays. Funds are generally provided by intergovernmental revenue, along with transfers from other funds.

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out under Other Financing Sources (Uses). While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Deposits and Investments

The Town records certain investments at fair value. Investments held in local government investment pools are reported at net asset value or amortized cost as allowed under US GAAP.

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; level 2 inputs are significant other observable inputs; and level 3 inputs are significant unobservable inputs. At December 31, 2019, the District did not hold any investments required to be reported under fair value.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Accounts Receivable

Accounts receivable consist of sales tax, lodging tax, highway user tax, and franchise fees due as of December 31, 2019. The Town's policy is to establish an allowance for uncollectible accounts based on historical experience and individual analysis of accounts. The Town considers all receivables collectible as of December 31, 2019.

Property Taxes

Property taxes are levied annually and attach as an enforceable lien on property as of January 1. At the option of the taxpayer, property taxes may be paid in full or in two equal installments. The first of such installment is to be paid as of February 28 and the second installment is to be paid no later than June 15. If elected to be paid in full, the amount is to be paid no later than April 30. If payments are not made timely, delinquent interest accrues. If the taxes are not paid within subsequent statutory periods, the property tax lien will be sold at public auction. The County bills and collects the property taxes and remits collections to the Town on a monthly basis. No provision has been made for uncollected taxes, as all taxes are deemed collectible.

Property taxes are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. These amounts are recorded as revenue in the subsequent year when they are available or collected.

Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, furnishings, vehicles and equipment, and infrastructure, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at the estimated fair value at the date of donation. Capital expenditures for projects are capitalized as constructed.

1. **Summary of Significant Accounting Policies (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Capital Assets (continued)

Normal maintenance and repairs that do not add value to assets or materially extend the life of assets are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the capital assets. Depreciation is reported as a current charge in the statement of activities.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Improvements other than buildings	20
Furnishings, vehicles and equipment	5-7
Infrastructure	40-59

Compensated Absences

The Town permits employees to accumulate earned but unused vacation time, subject to certain limits in amount. Accumulated, unpaid time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In the current year, the Town did not have any items in this reporting category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as inflow of resources (revenue) until that time frame. The Town has one item that qualifies for reporting in this category, *unavailable revenue-property taxes*. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available.

Net Position

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

1. **Summary of Significant Accounting Policies (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Net Position (continued)

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the Town's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance

In the fund financial statements, governmental funds report aggregate amounts for five classes of fund balances on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not spendable in form which include items such as prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the Town's highest level of decision-making authority. As of December 31, 2019, the Town had not adopted a policy for committed fund balance.

Assigned fund balance. This classification reflects the amounts constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed. As of December 31, 2019, the Town had not adopted a policy designating Town personnel to determine amounts that may be assigned.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

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. Although not included in a formal policy, the Town considers decreases in fund balance to first reduce committed, then assigned, and then unassigned balances, in that order.

During 2019, the Town adopted a Fund Planning and Allocations policy. Under this policy, the Town will maintain six months of operating expenses in the Town's operating account to allow for day to day operations. In addition, the Town will develop funding to cover future capital needs. The Town also maintains \$500,000 for contingent funding.

1. Summary of Significant Accounting Policies (continued)

Interfund Transfers

Interfund transfers for the year ended December 31, 2019 consisted of a transfer to Capital Projects Fund from the General Fund in the amount of \$193,911.

This transfer was used to move unrestricted revenues collected in the General Fund to finance various improvements accounted for in the Capital Projects Fund in accordance with budgetary authorizations.

Use of Estimates

The preparation of financial statements in conformity with US GAAP 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 the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Stewardship, Compliance, and Accountability

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with US GAAP. State law requires the Town to adopt annual appropriated budgets for all funds. The Town conforms to the following procedures, in compliance with Colorado Revised Statutes, in establishing the budgetary data reflected in the financial statements:

On or before October 15 of each year, the Town's Administrator submits to the Board of Trustees a recommended budget which details the necessary property taxes needed along with other available revenues to meet the Town's operating requirements. After a required publication of "Notice of Proposed Budget" and a public hearing, the Town adopts the proposed budget and an appropriating resolution, which legally appropriates expenditures for the upcoming year.

After adoption of the budget resolution, the Town may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated revenues in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient. The budget is only amended in conformity with Colorado Revised Statutes which allows the Town to amend the budget and adopt a supplementary appropriation if money for a specific purpose, other than ad valorem taxes, becomes available to meet a contingency.

The level of control in the budget at which expenditures exceeded appropriations is at the fund level. All appropriations lapse at year end.

3. Detailed Notes on the Funds

Deposits and Investments

At December 31, 2019, cash and investments are classified in the accompanying financial statements as follows:

Cash and investments	\$ 2,041,475
Cash and investments - restricted	<u>93,152</u>
	<u>\$ 2,134,627</u>

The following is a summary of deposits and investments held by the Town as of December 31, 2019:

<u>Type</u>	<u>Ratings per Standards & Poor's</u>	<u>Carrying Value</u>
Deposits		\$ 2,133,391
CSAFE Cash	AAAm	100
COLOTRUST Plus+	AAAm	1,136
Total		<u>\$ 2,134,627</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. 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 a minimum of 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by state statute to monitor the naming of eligible depositories and reporting the uninsured deposits and assets maintained in collateral pools.

Investments

On March 21, 2017, the Town adopted a formal investment policy, which is more restrictive than the Colorado Revised Statutes (CRS), that specifies investment instruments meeting defined rating and risk criteria in which the Town may invest. The allowed investment instruments may include but are not limited to:

- Certain money market funds
- Certain certificates of deposit
- Local government investment pools

3. **Detailed Notes on the Funds (continued)**

Investments (continued)

As of December 31, 2019, the Town invested in the Colorado Local Governmental Liquid Asset Trust (COLOTRUST), a local government investment vehicle established for local governmental entities in Colorado to pool surplus funds. COLOTRUST offers two investment options, COLOTRUST PRIME and COLOTRUST PLUS+. As an investment pool, COLOTRUST operates under CRS and is overseen by The Colorado Division of Securities which administers and enforces the requirements of creating and operating COLOTRUST. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of \$1.00. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records segregate investments owned by the participating governments. COLOTRUST records its investments at fair value and the Town records its investment in COLOTRUST using the net asset value method. There are no unfunded commitments and there is no redemption notice period.

As of December 31, 2019, the Town also invested in Colorado Surplus Asset Fund Trust (CSAFE) which is an investment vehicle established by state statute for local governmental entities to pool surplus assets. CSAFE offers two investment vehicles. The Town invests in CSAFE Cash. CSAFE Cash is similar to a money market fund with each share valued at \$1.00. CSAFE limits its investments to those allowed by state statute. A designated custodial bank provides safekeeping and depository services to CSAFE in connection with the direct investment and withdrawal function of CSAFE. The custodian's internal records segregate investments owned by the participating governments. CSAFE Cash records its investments at amortized cost and the Town records its investment in CSAFE Cash at NAV. There are no unfunded commitments and there is no redemption notice period.

Custodial Credit Risk: As of December 31, 2019, all of the Town's deposits and investments were insured by the Federal Deposit Insurance Corporation or held in eligible public depositories as required by PDPA.

Interest Rate Risk: CRS limit investment maturities to five years or less unless formally approved by the Board of Trustees.

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Town follows the general provisions of CRS which limits the Town's exposure to credit risk. CRS specify investment instruments meeting defined rating and risk criteria in which local governmental entities may invest. The Town holds investments in certain money market accounts, included in deposits, which are unrated.

TOWN OF BLUE RIVER
Notes to Financial Statements
December 31, 2019

3. Detailed Notes on the Funds (continued)

Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 231,135	\$ -	\$ -	\$ 231,135
Construction in progress	38,050	-	(38,050)	-
Total capital assets, not being depreciated	269,185	-	(38,050)	231,135
Capital assets being depreciated:				
Buildings	703,041	-	-	703,041
Improvements other than buildings	44,882	-	-	44,882
Furnishings, vehicles, and equipment	225,170	86,629	-	311,799
Infrastructure	2,165,936	142,474	-	2,308,410
Total capital assets being depreciated	3,139,029	229,103	-	3,368,132
Less accumulated depreciation for:				
Buildings	(157,197)	(17,576)	-	(174,773)
Improvements other than buildings	(16,830)	(2,244)	-	(19,074)
Furnishings, vehicles, and equipment	(183,749)	(16,011)	-	(199,760)
Infrastructure	(273,532)	(48,157)	-	(321,689)
Total accumulated depreciation	(631,308)	(83,988)	-	(715,296)
Total capital assets being depreciated, net	2,507,721	145,115	-	2,652,836
Capital assets, net	\$ 2,776,906	\$ 145,115	\$ (38,050)	\$ 2,883,971

Depreciation expense was charged to the functions of the District as follows:

Governmental activities:	
General government	\$ 27,988
Public works	48,157
Public safety	7,843
Total depreciation expense – governmental activities	\$ 83,988

Long-Term Obligations

Changes in long-term obligations for the year ended December 31, 2019 are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Capital lease	\$ 9,883	\$ -	\$ (2,115)	\$ 7,768	\$ 2,336
Compensated absences	-	28,773	(5,776)	22,997	22,997
Governmental activities long-term debt	\$ 9,833	\$ 28,773	\$ (7,891)	\$ 30,765	\$ 25,333

The General Fund provides the resources for the retirement of the capital lease and compensated absences payable.

3. Detailed Notes on the Funds (continued)

Long-Term Obligations (continued)

On October 3, 2017, the Town entered into a capital lease agreement under which it leases a copier for 60 months. The lease agreement requires monthly payments of \$251 beginning January 2018 through December 2022. The copier has a five-year estimated useful life. For the year ended December 31, 2019, \$2,321 was included in depreciation expense. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date.

The following is a schedule of leased assets included in furnishings, vehicles, and equipment at December 31, 2019:

Copier	\$ 11,604
Less: accumulated depreciation	4,641
	\$ 6,963

Future minimum lease payments due under this lease and the net present value of those payments at December 31, 2019 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2020	\$ 3,008
2021	3,008
2022	3,008
Total minimum lease payments	9,024
Less amount representing interest	(1,256)
Present value of minimum lease payments	\$ 7,768

Interest expense on the capital lease obligation for the year ended December 31, 2019 amounted to \$893.

4. Other Information

TABOR Amendment - Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20 commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. Spending and revenue limits are determined based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

4. Other Information (continued)

TABOR Amendment - Revenue and Spending Limitation Amendment (continued)

On November 7, 1995, a majority of the Town's electors passed a ballot question. The ballot question authorized the Town to "collect and increase fiscal year spending such that the full revenue generated during 1994 and each subsequent year thereafter by its existing mill levy, without any increase in general property taxes, may be expended without any limitation under Article X, Section 20 of the Colorado Constitution for (a) snow removal; (b) road maintenance; (c) police protection; (d) other municipal services; and without limiting in any year the amount of other revenues that may be collected and spent by the Town of Blue River, Colorado under Article X, Section 20 to the Colorado Constitution or any other law provided there shall be no increase in the Town's present mill levy, unless approved by a majority of voters voting on any such increase.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service, federal grants, and sales of assets). The Town has reserved a portion of its December 31, 2019 year-end fund balance in the General Fund for emergencies as required under TABOR of \$48,000 which is the approximate required reserve as of December 31, 2019.

The Town's management believes it is in compliance with the provisions of TABOR, as it is currently understood. However, TABOR is complex and subject to interpretation. Many of the provisions may not become fully understood without judicial review.

Risk Management

The Town is exposed to various risks of loss related to workers compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a joint self-insurance pool created by intergovernmental agreement to provide property, worker's compensation, general and automobile liability, and public officials' coverage to its members. CIRSA is governed by a seven-member Board elected by and from its members.

Coverage is provided through pooling of self-insurance losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and those amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amount recoverable from excess insurance are direct liabilities of participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The Town has not been informed of any excess losses that may have been incurred by the pool; there have been no claims in excess of insurance coverage in any of the past three years. There has not been any significant changes in insurance coverage from the prior year.

Conservation Trust

The Town receives funds from the Colorado state lottery which are restricted to expenditures related to parks, trails, etc. For the year ended December 31, 2019, the Town received \$10,517 in conservation trust revenue. The Town properly restricts the unspent conservation trust funds. The amount restricted as of December 31, 2019 amounted to \$93,152.

5. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position

The governmental funds balance sheet includes reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position. Explanation of the reconciling items is as follows:

Capital assets of \$3,599,267, less accumulated depreciation of \$715,296 or a net book value of \$2,883,971 are not financial resources and therefore are not reported in the funds.

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Capital lease obligation	\$ 7,768
Compensated absences	22,997
	<u>\$ 30,765</u>

Explanation of Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. Explanation of the reconciling items is as follows:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The details of this difference are as follows:

Depreciation expense	\$ (83,988)
Capital outlay	191,053
Net adjustment	<u>\$ 107,065</u>

The issuance of long-term debt provides current financial resources to the governmental fund, while the repayment of principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. The difference is the principal payment on the capital lease obligation in the amount of \$2,115.

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not recorded as expenditures in governmental funds. The details of this difference are as follows:

Compensated absences	\$ <u>(22,997)</u>
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6. Subsequent Event

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to a number of other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, several states in the U.S., including Colorado, where the District is located, declared a state of emergency.

COVID-19 could adversely affect the economies and financial markets of many countries, including the U.S. resulting in an economic downturn that could affect the Town.

Any of the foregoing could harm our operations and we cannot anticipate all of the ways in which health epidemics such as COVID-19 could adversely impact the Town. Although we are continuing to monitor and assess the effects of the COVID-19 pandemic on our operations, the ultimate impact of the COVID-19 outbreak or similar health epidemics is highly uncertain and subject to change.

REQUIRED SUPPLEMENTAL INFORMATION

THE TOWN OF BLUE RIVER**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****General Fund****For the Year Ended December 31, 2019**

	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Property and specific ownership tax	\$ 551,033	\$ 555,842	\$ 4,809
Sales, lodging and other taxes	448,337	676,101	227,764
Intergovernmental	40,000	123,125	83,125
Franchise fees	60,000	69,503	9,503
Licenses and permits	114,700	123,662	8,962
Fines and fees	56,050	34,824	(21,226)
Other income	14,200	13,997	(203)
Total revenues	1,284,320	1,597,054	312,734
Expenditures:			
General government	394,509	366,598	27,911
Judicial	17,600	15,784	1,816
Planning and zoning	8,400	9,100	(700)
Public safety	192,359	206,062	(13,703)
Public works	459,150	472,419	(13,269)
Total expenditures	1,072,018	1,069,963	2,055
Excess of revenues over expenditures	212,302	527,091	314,789
Other Financing Sources (Uses):			
Transfer out	(210,000)	(193,911)	16,089
Total other financing sources (uses)	(210,000)	(193,911)	16,089
Net change in fund balance	2,302	333,180	330,878
Fund balance, beginning of year	1,916,057	1,815,148	(100,909)
Fund balance, end of year	\$ 1,918,359	\$ 2,148,328	\$ 229,969

The accompanying notes are an integral part of this financial statement.

THE TOWN OF BLUE RIVER**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Conservation Trust Fund****For the Year Ended December 31, 2019**

	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Intergovernmental	\$ 6,000	\$ 10,517	\$ 4,517
Other income	-	8	8
Total revenues	<u>6,000</u>	<u>10,525</u>	<u>4,525</u>
Expenditures:			
Park and trail expenditures	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	6,000	10,525	4,525
Fund balance, beginning of year	78,929	82,627	3,698
Fund balance, end of year	<u>\$ 84,929</u>	<u>\$ 93,152</u>	<u>\$ 8,223</u>

The accompanying notes are an integral part of this financial statement.

OTHER INFORMATION

THE TOWN OF BLUE RIVER**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Capital Fund****For the Year Ended December 31, 2019**

	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Capital projects	210,000	193,911	16,089
Total expenditures	<u>210,000</u>	<u>193,911</u>	<u>16,089</u>
Excess of expenditures over expenditures	<u>(210,000)</u>	<u>(193,911)</u>	<u>16,089</u>
Other Sources (Uses):			
Transfer in	210,000	193,911	(16,089)
Total other sources (uses)	<u>210,000</u>	<u>193,911</u>	<u>(16,089)</u>
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado YEAR ENDING (mm/yy): 12/19
This Information From The Records Of: Town of Blue River	Prepared By: Michelle Eddy

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		13,020	52,794	
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		13,020	52,794	

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	13,020
c. Total (a.+b.)	13,020
2. General fund appropriations	
3. Other local imposts (from page 2)	435,321
4. Miscellaneous local receipts (from page 2)	33,801
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	
7. Total (1 through 6)	482,142
B. Private Contributions	
C. Receipts from State government (from page 2)	52,794
D. Receipts from Federal Government (from page 2)	
E. Total receipts (A.7 + B + C + D)	534,936

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	43,400
2. Maintenance:	126,606
3. Road and street services:	
a. Traffic control operations	8,328
b. Snow and ice removal	196,328
c. Other	
d. Total (a. through c.)	204,656
4. General administration & miscellaneous	35,215
5. Highway law enforcement and safety	125,059
6. Total (1 through 5)	534,936
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	
3. Total (1.c + 2.c)	
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	534,936

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): 12/19	

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	397,616	a. Interest on investments	127
b. Other local imposts:		b. Traffic Fines/Penalties	30,465
1. Sales Taxes	0	c. (Specify)	
2. Specific Ownership Tax	27,126	d. (Specify)	
3. County Road/Bridge	5,100	e. (Specify)	
4. (Specify)		f. (Specify)	
5. (Specify)		g. (Specify)	32
6. Total (1. through 5.)	32,226	h. (Specify)	
c. Total (a. + b.)	429,842	i. Total (a. through h.)	30,624
(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 (from Item I.C.5.)	61,450	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. Motor Vehicle Registrations	0	c. HUD	
c. (Specify)		d. (Specify)	
d. (Specify)		e. (Specify)	
e. (Specify)		f. (Specify)	
f. Total (a. through e.)		g. Total (a. through f.)	
4. Total (1. + 2. + 3.f)	61,450	3. Total (1. + 2.g)	
(Carry forward to page 1)		(Carry forward to page 1)	

III. EXPENDITURES 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			
b. Engineering Costs	43,400		43,400
c. Construction:			
(1). New Facilities			
(2). Capacity Improvements			
(3). System Preservation			
(4). System Enhancement And Operation			
(5). Total Construction (1)+(2)+(3)+(4)			
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	43,400		43,400
(Carry forward to page 1)			

Notes and Comments: