

TOWN OF DINOSAUR, COLORADO

—

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

—

DECEMBER 31, 2019

DRAFT

FINANCIAL STATEMENTS - 2019

TOWN OF DINOSAUR, COLORADO

2019 BOARD OF TRUSTEES

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Town of Dinosaur, 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 the Town of Dinosaur, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Dinosaur, Colorado, as of December 31, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of the Town's proportionate share of the net pension liability and asset, schedules of contributions, and schedule of the Town's proportionate share of the net OPEB liability on pages 3-8 and 57-64 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 Dinosaur, Colorado's basic financial statements. The budgetary comparisons for the Conservation, Water, and Sewage Funds and counties, cities, and towns annual statement of receipts and expenditures for roads, bridges, and streets are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparisons for the Conservation, Water, and Sewage Funds and counties, cities, and towns annual statement of receipts and expenditures for roads, bridges, and streets have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Rangely, Colorado
July 27, 2020

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MANAGEMENT DISCUSSION AND ANALYSIS

The discussion and analysis of the Town of Dinosaur, Colorado's (the "Town") financial performance provides readers with an overall review of the financial activities of the Town 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 basic financial statements to enhance their understanding of the Town's financial performance.

FINANCIAL HIGHLIGHTS

- The Town's assets and deferred outflows exceeded liabilities and deferred inflows by \$3,185,760 at December 31, 2019.
- Total Town's cash and investments increased by \$575,163 or 45 percent from 2018.
- The December 31, 2019 General Fund balance is \$657,006 more than the previous year. The total General Fund balance is 512 percent of 2019 General Fund operating expenditures.

USING THIS ANNUAL REPORT

This Annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the Town as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at our specific financial conditions.

The Statement of Net Position and Statement of Activities provides information about the activities of the whole Town, presenting both an aggregate view of the Town's finances and a longer-term view of those assets. The Statement of Activities shows a net (expense) revenue and changes to net position related to each department of the Town. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

OVERVIEW OF THE TOWNS FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances. The Statement of Net Position and Statement of Activities include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the Town's net position and the changes in those assets. This change in assets is important because it tells the reader whether, for the Town as a whole, the financial position of the Town has improved or diminished. However, in evaluating the overall position of the Town, non-financial information such as changes in the Town's tax base and the condition of Town capital assets will also need to be evaluated.

In the Statement of Net Position and Statement of Activities, the Town's activities are reported as Governmental Activities or Business-type Activities.

Fund Financial Statements

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 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.

Proprietary Funds. Proprietary funds are reported in the fund financial statements and generally report services for which customers are charged a fee. The Town uses an enterprise fund which essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to a customer external to the Town organization which is the water sales and sewage services to the residents of the Town and surrounding areas.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail for the major enterprise fund.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 through 55 of this report.

Budgetary Comparisons. The Town adopts an annual appropriated budget for the General Fund, Conservation Fund, Water Fund, and Sewage Fund. A budgetary comparison statement has been provided for the General Fund on pages 57 through 58, the Conservation Fund on pages 67 through 68, the Water Fund on pages 69 through 70, and the Sewage Fund on pages 71 through 72 of this report.

REPORTING THE TOWN AS A WHOLE

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

The following table provides a summary of the Town's net position for 2018 and 2019.

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Assets						
Current and other assets	\$1,089,470	\$1,743,276	\$ 286,956	\$ 237,995	\$ 1,376,426	\$ 1,981,271
Capital assets	177,935	266,325	1,187,347	1,380,576	1,365,282	1,646,901
Total assets	<u>1,267,405</u>	<u>2,009,601</u>	<u>1,474,303</u>	<u>1,618,571</u>	<u>2,741,708</u>	<u>3,628,172</u>
Deferred Outflows	41,739	98,270	-	-	41,739	98,270
Liabilities						
Current and other liabilities	10,681	13,508	11,169	15,977	21,850	29,485
Long-term liabilities	198,424	253,041	177,200	232,223	375,624	485,264
Total Liabilities	<u>209,105</u>	<u>266,549</u>	<u>188,369</u>	<u>248,200</u>	<u>397,474</u>	<u>514,749</u>
Deferred Inflows	61,732	25,933	-	-	61,732	25,933
Net position						
Net investment in capital assets	177,935	266,325	1,010,147	1,136,753	1,188,082	1,403,078
Restricted	6,846	12,991	-	-	6,846	12,991
Unrestricted	853,526	1,536,073	275,787	233,618	1,129,313	1,769,691
Total net position	<u>\$1,038,307</u>	<u>\$1,815,389</u>	<u>\$1,285,934</u>	<u>\$1,370,371</u>	<u>\$ 2,324,241</u>	<u>\$ 3,185,760</u>

A significant portion of the Town's net position represents unrestricted net position of \$1,769,691 which may be used to meet the ongoing obligations to patrons and creditors.

Another significant portion of the Town's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional \$12,991 of the Town's net position represents resources that are subject to external restrictions on how they may be used. The restriction is for the TABOR emergency reserve.

The following table indicates the changes in net position.

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Revenues:						
Program revenues:						
Charges for services	\$ 4,645	\$ 1,026	\$ 118,744	\$ 108,940	\$ 123,389	\$ 109,966
Operating grants and contributions	3,230	3,678	-	-	3,230	3,678
Capital grants and contributions	-	-	29,872	117,489	29,872	117,489
General revenues & transfers:						
General property taxes	23,030	23,100	-	-	23,030	23,100
Specific ownership tax	2,125	2,435	-	-	2,125	2,435
Investment earnings	4,406	3,846	4,426	6,324	8,832	10,170
Sales & use tax	159,235	332,667	-	-	159,235	332,667
Occupation tax	228,779	605,371	-	-	228,779	605,371
Other	71,550	121,590	-	-	71,550	121,590
Total revenues & transfers	497,000	1,093,713	153,042	232,753	650,042	1,326,466
Expenses:						
General						
Government	97,905	74,310	-	-	97,905	97,905
Public Safety	106,559	151,824	-	-	106,559	106,559
Public Works	44,811	63,964	-	-	44,811	44,811
Parks & Recreation	21,194	26,533	-	-	21,194	21,194
Water	-	-	99,403	103,103	99,403	99,403
Sewage	-	-	79,912	45,213	79,912	79,912
Total expenses	270,469	316,631	179,315	148,316	449,784	449,784
Change in accounting principle	(14,181)	-	-	-	(14,181)	(14,181)
Increase (decrease) in net position	\$ 212,350	\$ 777,082	\$(26,273)	\$ 84,437	\$ 186,077	\$ 186,077

Governmental Activities. Governmental activities increased the Town's net position by \$777,082 in 2019. Key elements of this increase are as follows:

Sales and use tax for 2019 was \$332,667, up \$173,342 from the prior year and occupation tax was \$605,371, up \$376,592.

Business-type Activities. Business-type activities increased the Town's net position by \$84,437 in 2019. Key elements of this decrease are as follows:

Grants received were \$117,489, up \$87,617 from the prior year.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

Governmental Funds. Information about the Town's governmental funds begins on page 15. These funds are accounted for using the modified accrual basis of accounting.

As of December 31, 2019, the total fund balance of the Town's governmental funds was \$1,703,960. Approximately 99 percent of this consists of unreserved fund balance, which is available as working capital and for current spending in accordance with the purposes of the Town. The remainder of fund balance is reserved to indicate that it is not available for new spending because it is committed for the following purposes: (1) a state-Constitution mandated emergency reserve (\$12,991). The Town had Governmental revenues of \$1,093,713 and expenditures of \$435,023.

Proprietary Fund. Information about the Town's proprietary fund begins on page 19. This fund is accounted for using the accrual basis of accounting.

As of December 31, 2019, the total net position of the Town's proprietary funds were \$1,370,371. Approximately 17 percent of this consists of unrestricted net position, which is available as working capital and for current spending in accordance with the purposes of the Town. The remainder of net position are restricted to indicate that it is not available for new spending because it is committed for the following purposes: (1) net investment in capital assets (\$1,136,753). The Town had Proprietary operation revenues of \$108,940, non-operating revenues of \$6,324, capital grants of \$117,489, operating expenses of \$146,330 and non-operating expenses of \$1,986.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's budget is prepared according to Colorado statutes.

2019 General Fund Budget

	<u>Original Budget</u>	<u>Amend- ments</u>	<u>Final Budget</u>	<u>Actual</u>
Beginning Fund Balance	\$ 756,212	\$ -	\$ 756,212	\$ 1,021,597
Revenue and other financing sources	646,865	-	646,865	1,090,032
Expenditures and other financing uses	(755,253)	-	(755,253)	(433,026)
Ending Fund Balance	<u>\$ 647,824</u>	<u>\$ -</u>	<u>\$ 647,824</u>	<u>\$ 1,678,603</u>

Actual expenditures and other financing uses were under budget by \$322,227. The main reason for the difference was the Town budgeted \$257,000 for capital outlay and actual expenditures were \$105,143, which were under the budget amount by \$151,857.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Town's net investment in capital assets for its governmental type and business-type activities as of December 31, 2019 totaled \$266,325 and \$1,136,753, respectively (net of accumulated depreciation and related debt). This investment includes all land, buildings, and equipment.

Major capital asset events during the current fiscal year included expenditures of \$231,183 for continued work on the Sewer Fund Phase III project and \$79,733 for two police vehicles.

The Town uses the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated.

Long-term Debt. During the year ended December 31, 2019, the Town had a long-term loans payable of \$33,872 for the water fund and \$209,951 for the sewage fund.

Additional information on Town's debt can be found in Note 7.

ECONOMIC FACTORS AND OTHER MATTERS

Other Matters. The following factors are expected to have a significant effect on the Town's financial position and results of operations and were taken into account in developing the 2020 budget:

- Increase in property tax collected.
- Continued sewer service capital outlay.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Town, 317 S. Stegosaurus Frwy., Dinosaur, Colorado 81610.

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FINANCIAL STATEMENTS

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TOWN OF DINOSAUR, COLORADO

STATEMENT OF NET POSITION
December 31, 2019

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and investments	\$ 1,622,461	\$ 228,329	\$ 1,850,790
Accounts receivables	-	9,666	9,666
Other receivables	95,007	-	95,007
Property taxes receivable	25,808	-	25,808
Capital assets, nondepreciable	92,661	270,257	362,918
Capital assets, net of accumulated depreciation	173,664	1,110,319	1,283,983
TOTAL ASSETS	2,009,601	1,618,571	3,628,172
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	94,487	-	94,487
Deferred outflows related to OPEB	3,783	-	3,783
TOTAL DEFERRED OUTFLOWS OF RESOURCES	98,270	-	98,270
LIABILITIES			
Accounts payable	6,128	4,377	10,505
Accrued liabilities	4,315	-	4,315
Accrued salaries and benefits	3,065	-	3,065
Noncurrent liabilities:			
Due within one year	-	11,600	11,600
Due in more than one year	-	232,223	232,223
Net pension liability	234,104	-	234,104
Net OPEB liability	18,937	-	18,937
TOTAL LIABILITIES	266,549	248,200	514,749
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue - property taxes	25,808	-	25,808
Deferred inflows related to pensions	88	-	88
Deferred inflows related to OPEB	37	-	37
TOTAL DEFERRED INFLOWS OF RESOURCES	25,933	-	25,933
NET POSITION			
Net investment in capital assets	266,325	1,136,753	1,403,078
Restricted for:			
Tabor	12,991	-	12,991
Unrestricted	1,536,073	233,618	1,769,691
TOTAL NET POSITION	\$ 1,815,389	\$ 1,370,371	\$ 3,185,760

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF DINOSAUR, COLORADO

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2019

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
FUNCTIONS/PROGRAMS			
Primary government			
Governmental activities			
General government	\$ 74,310	\$ 592	\$ -
Public safety	151,824	434	-
Public works	63,964	-	-
Parks and recreation	26,533	-	3,678
	<u>316,631</u>	<u>1,026</u>	<u>3,678</u>
TOTAL GOVERNMENTAL ACTIVITIES			
Business-type activities			
Water	103,103	68,511	-
Sewage	45,213	40,429	-
	<u>148,316</u>	<u>108,940</u>	<u>-</u>
TOTAL BUSINESS-TYPE ACTIVITIES			
TOTAL PRIMARY GOVERNMENT	<u>\$ 464,947</u>	<u>\$ 109,966</u>	<u>\$ 3,678</u>

General revenues:

Taxes:

Property taxes
 Specific ownership taxes
 Sales & use taxes
 Highway users taxes
 Occupation taxes
 Mineral severance taxes
 Other taxes
 Licenses and permits
 Motor vehicle registration
 Mineral lease
 Unrestricted investment earnings
 Miscellaneous
 Total general revenues and transfers
 Change in net position
 Net position - beginning
 Net position - ending

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (73,718)	\$ -	\$ (73,718)
-	(151,390)	-	(151,390)
-	(63,964)	-	(63,964)
-	(22,855)	-	(22,855)
-	(311,927)	-	(311,927)
-	-	(34,592)	(34,592)
117,489	-	112,705	112,705
117,489	-	78,113	78,113
\$ 117,489	(311,927)	78,113	(233,814)
	23,100	-	23,100
	2,435	-	2,435
	332,667	-	332,667
	21,515	-	21,515
	605,371	-	605,371
	52,385	-	52,385
	10,798	-	10,798
	10,833	-	10,833
	1,504	-	1,504
	22,498	-	22,498
	3,846	6,324	10,170
	2,057	-	2,057
	1,089,009	6,324	1,095,333
	777,082	84,437	861,519
	1,038,307	1,285,934	2,324,241
	\$ 1,815,389	\$ 1,370,371	\$ 3,185,760

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF DINOSAUR, COLORADO

BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2019

	<u>General</u>	<u>Conservation Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments	\$ 1,597,104	\$ 25,357	\$ 1,622,461
Other receivables	95,007	-	95,007
Property taxes receivable	<u>25,808</u>	<u>-</u>	<u>25,808</u>
TOTAL ASSETS	<u><u>\$ 1,717,919</u></u>	<u><u>\$ 25,357</u></u>	<u><u>\$ 1,743,276</u></u>
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Accounts payable	\$ 6,128	\$ -	\$ 6,128
Accrued liabilities	4,315	-	4,315
Accrued salaries and benefits	3,065	-	3,065
Unearned revenue - property taxes	<u>25,808</u>	<u>-</u>	<u>25,808</u>
TOTAL LIABILITIES	<u>39,316</u>	<u>-</u>	<u>39,316</u>
FUND EQUITY			
Fund balance			
Reserved for Tabor emergencies	12,991	-	12,991
Unreserved	<u>1,665,612</u>	<u>25,357</u>	<u>1,690,969</u>
TOTAL FUND EQUITY	<u>1,678,603</u>	<u>25,357</u>	<u>1,703,960</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 1,717,919</u></u>	<u><u>\$ 25,357</u></u>	<u><u>\$ 1,743,276</u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF DINOSAUR, COLORADO

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCES TO THE STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
December 31, 2019

Balance sheet - total fund balances		\$ 1,703,960
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term liabilities, including net pension liabilities, are not due or payable in the current period and, therefore, are not reported in the funds.		
		(253,041)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	94,487	
Deferred outflows of resources related to OPEB	3,783	
Deferred inflows of resources related to pensions	(88)	
Deferred inflows of resources related to OPEB	<u>(37)</u>	
Net deferred outflows (inflows)		98,145
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds.		<u>266,325</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 1,815,389</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF DINOSAUR, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2019

	<u>General</u>	<u>Conservation Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Intergovernmental	\$ 97,902	\$ 3,678	\$ 101,580
Licenses and permits	10,833	-	10,833
Taxes	974,372	-	974,372
Interest earned	3,843	3	3,846
Miscellaneous	3,082	-	3,082
	<u>1,090,032</u>	<u>3,681</u>	<u>1,093,713</u>
TOTAL REVENUES			
EXPENDITURES			
General government	93,721	-	93,721
Public safety	150,828	-	150,828
Public works	58,171	-	58,171
Parks and recreation	25,163	-	25,163
Capital outlay	105,143	1,997	107,140
	<u>433,026</u>	<u>1,997</u>	<u>435,023</u>
TOTAL EXPENDITURES			
EXCESS OF REVENUES OVER EXPENDITURES	657,006	1,684	658,690
FUND BALANCE, BEGINNING OF YEAR	<u>1,021,597</u>	<u>23,673</u>	<u>1,045,270</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,678,603</u>	<u>\$ 25,357</u>	<u>\$ 1,703,960</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF DINOSAUR, COLORADO

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2019**

Net change in fund balances - total governmental funds	\$ 658,690
Amounts reported for governmental activities in the statement of net activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$107,140) exceeded depreciation (\$18,749) in the current period.	88,391
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension income	30,719
Governmental funds recognize OPEB contributions as expenditures at the time of payment whereas the statement of activities factors in items related to OPEB on a full accrual perspective.	<u>(718)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 777,082</u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF DINOSAUR, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 December 31, 2019

	Enterprise Funds		
	Water	Sewage	Total
ASSETS			
CURRENT ASSETS			
Cash and investments	\$ 248,440	\$ (20,111)	\$ 228,329
Accounts receivable	5,888	3,778	9,666
TOTAL CURRENT ASSETS	254,328	(16,333)	237,995
PROPERTY, PLANT AND EQUIPMENT	300,108	1,080,468	1,380,576
TOTAL ASSETS	554,436	1,064,135	1,618,571
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES			
Accounts payable	2,732	1,645	4,377
Current maturities of long-term debt	6,130	5,470	11,600
TOTAL CURRENT LIABILITIES	8,862	7,115	15,977
Loan payable - less current maturities	27,742	204,481	232,223
TOTAL LIABILITIES	36,604	211,596	248,200
NET POSITION			
Net investment in capital assets	266,236	870,517	1,136,753
Unrestricted	251,596	(17,978)	233,618
TOTAL NET POSITION	\$ 517,832	\$ 852,539	\$ 1,370,371

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF DINOSAUR, COLORADO

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2019

	Enterprise Funds		
	Water	Sewage	Total
OPERATING REVENUES			
Customer accounts	\$ 68,511	\$ 40,429	\$ 108,940
OPERATING EXPENSES			
Salaries	26,612	16,261	42,873
Supplies and other	33,755	8,653	42,408
Utilities	8,095	-	8,095
Depreciation	32,655	20,299	52,954
TOTAL OPERATING EXPENSES	101,117	45,213	146,330
OPERATING INCOME (LOSS)	(32,606)	(4,784)	(37,390)
NON-OPERATING REVENUES			
Interest revenue	3,163	3,161	6,324
Interest expense	(1,986)	-	(1,986)
TOTAL NON-OPERATING REVENUES (EXPENSES)	1,177	3,161	4,338
INCOME BEFORE CAPITAL GRANTS	(31,429)	(1,623)	(33,052)
Capital grants	-	117,489	117,489
CHANGE IN NET POSITION	(31,429)	115,866	84,437
NET POSITION, BEGINNING	549,261	736,673	1,285,934
NET POSITION, ENDING	\$ 517,832	\$ 852,539	\$ 1,370,371

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF DINOSAUR, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2019

	Enterprise Funds	
	<u>Water</u>	<u>Sewage</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 69,226	\$ 40,656
Cash payments for goods and services	(39,649)	(17,646)
Cash payments for payroll	<u>(26,612)</u>	<u>(16,261)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>2,965</u>	<u>6,749</u>
CASH FLOWS FROM NON- CAPITAL FINANCING ACTIVITIES		
None	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Grants	-	117,489
Debt proceeds	-	77,461
Long-term debt payment - principal	(5,838)	(5,000)
Long-term debt payment - interest	(1,986)	-
Purchase of fixed assets	<u>-</u>	<u>(246,183)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(7,824)</u>	<u>(56,233)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned	<u>3,163</u>	<u>3,161</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(1,696)</u>	<u>(46,323)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>250,136</u>	<u>26,212</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 248,440</u>	<u>\$ (20,111)</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (32,606)	\$ (4,784)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	32,655	20,299
Changes in assets and liabilities		
Decrease (increase) in accounts receivable	715	227
Increase (decrease) in accounts payable	<u>2,201</u>	<u>(8,993)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,965</u>	<u>\$ 6,749</u>

<u>Total</u>	
\$	109,882
	(57,295)
	<u>(42,873)</u>

9,714

-

	117,489
	77,461
	(10,838)
	(1,986)
	<u>(246,183)</u>

(64,057)

6,324

(48,019)

276,348

\$ 228,329

\$ (37,390)

52,954

942
(6,792)

\$ 9,714

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The accompanying "Notes to Financial Statements" are an integral part of this statement.

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NOTES TO FINANCIAL STATEMENTS

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TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Dinosaur, Colorado, (the Town), conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies consistently used in the preparation of the financial statements.

A. Financial Reporting Entity

The Town is governed by a publicly elected Town Council. No additional separate government units, agencies, or nonprofit corporations are included in the financial statements of the Town since none were discovered to fall within the oversight responsibility based upon the application of the following criteria: financial accountability, appointment of a voting majority of the organizations' governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The Town's major operations include public safety, street construction and maintenance, water and sewage utility, and general administration.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately for business-type activities, which rely to a significant extent on fees and charges for support.

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

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

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement focus, basis of accounting, and financial statement presentation, continued

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the Town receives cash.

The Town reports the following major governmental funds:

General Fund

The General Fund is the Town's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The major revenue sources are local property taxes and charges for services. Expenditures include all costs associated with the daily operations of the Town.

Conservation Fund

The Conservation Fund is used to account for the proceeds of lottery distributed by the state that are legally restricted to expenditures for specific purposes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewage utilities enterprise funds of the Town are charges to customers for sales and services. The water and sewage utilities recognize the portion of tap fees intended to recover the cost of connecting new customers to the system as operating revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Town reports the following major proprietary funds:

Water Fund

The Water Fund accounts for the operations and capital needs to provide water to customers within the boundaries of the Town.

Sewage Fund

The Wastewater Fund accounts for the operations and capital needs to provide sewer and wastewater services to customers within the boundaries of the Town.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

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

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Fixed Assets and Long-Term Liabilities

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, traffic signals, trails, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets have been capitalized on a prospective basis, from 2004. Infrastructure prior to 2004 will not be capitalized. Capital assets are defined by the Town as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of four years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. In 2019 no interest was capitalized.

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

	<u>Governmental</u>	<u>Water</u>	<u>Sewage</u>
Buildings	20 years		
Streets & improvements	10-20 years		
Water distribution and storage system		40 years	
Sewage treatment system			50 years
Sewage collection system			45-50 years
Equipment	5-10 years	10 years	10 years

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

E. Property Taxes

Property taxes are levied on December 22 of each year and attach as an enforceable lien on property as of January 1. Taxes are due as of January 1 of the following year and are payable in full by June 15 if paid in installments, or April 30 with a single payment. Taxes are delinquent as of June 16. If the taxes are not paid within subsequent statutory periods, the property 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, in that the Town's experience indicates that all material amounts will be collected and paid to the Town.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. Budgets and Budgetary Accounting

The Town's trustees follow these procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to October 15, the manager submits to the Town's trustees a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain the taxpayers' comments.
- (3) Prior to December 15, the budget is legally enacted through passage of a resolution.
- (4) Formal budgetary integration is employed as a management control device during the year.
- (5) Budgets are adopted for the General, Special Revenue, and Enterprise Funds. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except for the Enterprise Funds. The budget for the Enterprise Funds is adopted on a basis that differs from GAAP, in that outlays for debt retirement principal and acquisitions of fixed assets are included as expenses and depreciation is excluded from expenses.
- (6) Appropriations lapse at the end of each calendar year.
- (7) The Town's trustees may authorize supplemental appropriations during the year.

G. Encumbrances

The Town does not use encumbrance accounting. Accordingly, no encumbrances have been recorded in the financial statements.

H. Compensated Absences

It is the Town's policy to permit employees to accumulate a limited amount of earned but unused vacation. Vacation leave is granted on a graduated accrual basis. Accrual of vacation leave shall begin at the commencement of employment. However, no employee shall be eligible for vacation leave with pay until that employee has completed twelve consecutive months of service to the Town. Vacation leave that is not used within one year of the date it is granted (anniversary of employment) may not be accumulated. Upon termination of employment, an employee is paid for unused accrued vacation leave for the calendar year in which termination occurred. A short-term liability for accrued vacation benefits has been recorded in the general fund.

I. Cash and Cash Equivalents

For purposes of the statement of cash flows the Water and Sewage Funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

J. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles 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.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. There are certain differences between the governmental fund balance sheet and the government-wide statement net position. A reconciliation of the differences can be found on page 16 of the financial statements.
- B. There are certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities. A reconciliation of the differences can be found on page 18 of the financial statements.

NOTE 3 - CASH AND INVESTMENTS

The Town’s bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Authority’s custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral included municipal bonds, U.S. government securities, mortgage, and deeds of trust.

State statutes authorize the Authority to invest in obligations of the U.S. Treasury and U.S. agencies, obligation of the State of Colorado or of any county, school, authority, and certain town and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The Town’s investment policy is not more restrictive than State statutes. The Town’s investments are concentrated in local government investment pools, U.S. government and agency securities, and bank CDs.

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value arising from increasing interest rates.

At December 31, 2019, the Town had the following investments:

The Town has invested \$436,112 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operated similarly to a money market fund and each share is equal in value to \$1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by COLOTRUST. At December 31, 2019 the Town’s investment in the COLOTRUST was rated AAAM by Standard & Poor’s.

Summary

Cash and investments consist of the following:

Cash with county	\$	203
Cash in bank		1,414,475
ColoTrust		<u>436,112</u>
Total		<u>\$ 1,850,790</u>

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2019, in the Enterprise Funds are as follows:

	<u>Water</u>	<u>Sewage</u>	<u>Total</u>
Gross accounts receivable	\$ 7,564	\$ 4,854	\$ 12,418
Less allowance for doubtful accounts	<u>1,676</u>	<u>1,076</u>	<u>2,752</u>
	<u>\$ 5,888</u>	<u>\$ 3,778</u>	<u>\$ 9,666</u>

NOTE 5 - PROPERTY TAXES

Revenue Recognized in 2019

Local property taxes levied in 2018 and collected in 2019 are recognized as revenue in these financial statements as shown below:

	<u>Assessed Valuation</u>	<u>Mill Levy</u>	<u>Amount of Taxes Levied</u>	<u>Collected</u>	<u>Percent Collected</u>
General Fund	\$1,050,008	22.085	\$23,189	\$ 23,100	99.62%

Property Taxes Receivable and Deferred Revenues

Local property taxes levied in 2019 but not collectible until 2020 are shown as property taxes receivable and deferred revenue.

	<u>Assessed Valuation</u>	<u>Mill Levy</u>	<u>Estimated Percent Collectible</u>	<u>Property Taxes Receivable</u>	<u>Deferred Revenue</u>
General Fund	\$1,168,577	22.085	100.00%	\$ 25,808	\$ 25,808

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 6 - CAPITAL ASSETS

A. Governmental Activities

A summary of changes in capital assets during the year ended December 31, 2019 is as follows:

	Balance 1/1/2019	Additions	Deletions	Balance 12/31/2019
Capital assets not being depreciated:				
Land	\$ 92,661	\$ -	\$ -	\$ 92,661
Capital assets being depreciated:				
Buildings	503,029		-	503,029
Streets and improvements	466,929		-	466,929
Equipment	231,719	107,139	-	338,858
Total assets being depreciated	1,201,677	107,140	-	1,308,816
Less accumulated depreciation:				
Buildings	(442,518)	(8,889)	-	(451,407)
Streets and improvements	(450,722)	(3,828)	-	(454,550)
Equipment	(223,163)	(6,032)	-	(229,195)
Total accumulated depreciation	(1,116,403)	(18,749)	-	(1,135,152)
Total assets being depreciated, net	85,274	88,390	-	173,664
Governmental activities capital assets, net	\$ 177,935	\$ 88,390	\$ -	\$ 266,325

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities:	
General government	\$ 5,793
Public safety	5,793
Public works	5,793
Parks and recreation	<u>1,370</u>
Total depreciation expense - governmental activities	<u>\$ 18,749</u>

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 6 - CAPITAL ASSETS, Continued

B. Business-type Activities

	Balance 1/1/2019	Additions	Deletions	Balance 12/31/2019
Capital assets not being depreciated:				
Land	\$ 6,600	\$ -	\$ -	\$ 6,600
Construction in progress	32,474	231,183	-	263,657
Total assets not being depreciated	<u>39,074</u>	<u>231,183</u>	<u>-</u>	<u>270,257</u>
Capital assets being depreciated:				
Water system	1,760,414	-	-	1,760,414
Sewer system	1,025,369	-	-	1,025,369
Machinery and equipment	83,517	15,000	-	98,517
Total assets being depreciated	<u>2,869,300</u>	<u>15,000</u>	<u>-</u>	<u>2,884,300</u>
Less accumulated depreciation:				
Water system	(1,433,750)	(31,645)	-	(1,465,395)
Sewer system	(213,140)	(19,315)	-	(232,455)
Machinery and equipment	(74,137)	(1,994)	-	(76,131)
Total accumulated depreciation	<u>(1,721,027)</u>	<u>(52,954)</u>	<u>-</u>	<u>(1,773,981)</u>
Total assets being depreciated, net	<u>1,148,273</u>	<u>(37,954)</u>	<u>-</u>	<u>1,110,319</u>
Business-type activities capital assets, net	<u>\$ 1,187,347</u>	<u>\$ 193,229</u>	<u>\$ -</u>	<u>\$ 1,380,576</u>

Depreciation expense was charged to function/programs of the primary government as follows:

Business-type activities:	
Water	\$ 32,655
Sewage	<u>20,299</u>
Total depreciation expense - business-type activities	<u>\$ 52,954</u>

NOTE 7 - CHANGES IN LONG-TERM DEBT

The following is a summary of the note payable of the Town for the year ended December 31, 2019:

	Balance 1/1/2019	Additions	Reductions	Balance 12/31/2019	Due within One year
Business-type activities					
Note payable - DOLA	\$ 39,710	\$ -	\$ 5,838	\$ 33,872	\$ 6,130
Note payable - CWRPDA	137,490	-	5,000	132,490	5,000
Note payable - CDPHE	-	11,414	-	11,414	470
Not payable - WQCD	-	66,047	-	66,047	-
Business-type activities long-term liabilities	<u>\$177,200</u>	<u>\$ 77,461</u>	<u>\$ 10,838</u>	<u>\$ 243,823</u>	<u>\$ 11,600</u>

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 7 – CHANGE IN LONG-TERM DEBT, Continued

The Town entered into a contract with the Department of Local Affairs for \$100,000. The money was used to finance water improvements. The contract specified payments of \$7,824 due September 1st of each year for 20 years beginning in 2005 at an interest rate of 5%. The contract is an obligation of the Water Fund. Principal and interest requirement for this contract is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2020	\$ 6,130	\$ 1,694	\$ 7,824
2021	6,437	1,387	7,824
2022	6,758	1,065	7,823
2023	7,096	727	7,823
2024	<u>7,451</u>	<u>373</u>	<u>7,824</u>
	<u>\$ 33,872</u>	<u>\$ 5,246</u>	<u>\$ 39,118</u>

The Town entered into a contract with the Colorado Water Resources and Power Department Authority for a maximum draw total of \$500,000 at an interest rate of 0%. The loan is for improvements to the sewer lagoons. Payment of \$2,500 are due semi-annually. The loan is payable over 20 years and is due in 2034. Payments on this loan will be made through the Sewer Fund. \$22,544 was drawn in 2014, \$32,446 in 2015, and \$100,000 in 2016 for a total draw of \$154,990 as of December 31, 2019. Principal and interest requirement for this contract is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2020	\$ 5,000	\$ -	\$ 5,000
2021	5,000	-	5,000
2022	5,000	-	5,000
2023	5,000	-	5,000
2024	5,000	-	5,000
2025-2029	25,000	-	25,000
2030-2034	<u>82,490</u>	<u>-</u>	<u>82,490</u>
	<u>\$132,490</u>	<u>\$ -</u>	<u>\$ 132,490</u>

The Town entered into a contract with the Colorado Water Resources and Power Department Authority for a maximum draw total of \$100,000 at an interest rate of 1.5%. Interest will start to accrue on October 1, 2020. The loan is for improvements to the sewer lagoons. A payment of \$485 is due November 1, 2020, then payments of \$2,956 are due semi-annually by May 1st and November 1st. The loan is payable over 20 years and is due by May 1, 2040. Payments on this loan will be made through the Sewer Fund. \$11,414 was drawn in 2019 for a total draw of \$11,414 as of December 31, 2019. Principal and interest requirement for this contract is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2020	\$ 470	\$ 14	\$ 484
2021	5,769	143	5,912
2022	<u>5,175</u>	<u>56</u>	<u>5,231</u>
	<u>\$ 11,414</u>	<u>\$ 213</u>	<u>\$ 11,627</u>

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 7 – CHANGE IN LONG-TERM DEBT, Continued

The Town entered into a contract with the Colorado Water Resources and Power Department Authority for a maximum draw total of \$105,000. The loan is for improvements to the sewer lagoons. The loan term shall be from the date of loan execution until the date when the Water Quality Control Division of the Colorado Department of Health and Environmental issues certification that all required documents have been submitted and the Town has met all project and loan requirements but shall not exceed 18 months from the execution date. At loan closing, 100% of the principal amount of the loan shall be forgiven. \$66,047 was drawn in 2019 for a total draw of \$66,047 as of December 31, 2019.

NOTE 8 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Town maintains two enterprise funds which provide water and sewer services. Applicable segment information for the year ended December 31, 2019, is as follows:

	<u>Water</u>	<u>Sewage</u>	<u>Total</u>
Operating revenues	\$ 68,511	\$ 40,429	\$ 108,940
Depreciation	32,655	20,299	52,954
Operating income (loss)	(32,606)	(4,784)	(37,390)
Change in net position	(31,429)	115,866	84,437
Net working capital	245,466	(23,448)	222,018
Total assets	554,436	1,064,135	1,618,571
Net position	517,832	852,539	1,370,371

NOTE 9 - BUDGETARY - GAAP REPORTING RECONCILIATION

The accompanying schedule presents comparisons of the legally adopted budget with actual data on a budgetary basis for the Enterprise Funds. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, timing, perspective and entity differences in the excess (deficiency) of revenues over expenditures for the year ended December 31, 2019 is as follows:

	<u>Water</u>	<u>Sewage</u>	<u>Total</u>
Excess (deficiency) of revenue over expenditures (NON-GAAP basis)	(\$ 4,612)	(\$ 37,557)	(\$ 42,169)
Plus:			
Capital Outlay	-	246,183	246,183
Principal Payments	5,838	5,000	10,838
Less:			
Debt proceeds	-	(77,461)	(77,461)
Depreciation	(32,655)	(20,299)	(52,954)
Excess (deficiency) of revenue over expenditures (GAAP basis)	(\$ 31,429)	\$ 115,866	\$ 84,437

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 10 - DEFINED BENEFIT PENSION PLAN - PERA

Pensions. Town of Dinosaur, Colorado participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pensions liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. A brief description of some of the major changes to plan provision required by SB 18-200 for the LGDTF that were in effect on the LGDTF's December 31, 2018 measurement date are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employee contribution rates for the LGDTF by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, modifying the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, the direct distribution from the State, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.
- Expands eligibility to participate in the PERA DC Plan to members of the Local Government Division hired on or after January 1, 2019. Beginning January 1, 2021, and every year thereafter, employer contribution rate for the LGDTF will be adjusted to include a defined contribution supplement based on the employer contribution amount paid to defined contribution plan participant accounts that would have otherwise gone to the defined benefit trusts to pay down the unfunded liability plus any defined benefit investment earnings thereon.

General Information about the Pension Plan

Plan description. Eligible employees of the Town of Dinosaur, Colorado are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2018. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 10 - DEFINED BENEFIT PENSION PLAN – PERA, Continued

General Information about the Pension Plan, continued

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Local Governments (DPS) Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2018, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increase (AI) for 2018 and 2019. Therefore, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 1.5 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 10 - DEFINED BENEFIT PENSION PLAN – PERA, Continued

General Information about the Pension Plan, continued

Contributions provisions as of December 31, 2019. Eligible employees and Meeker Sanitation District are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. § 24-51-413. Eligible employees are required to contribute 8 percent of their PERA-includable salary during the period of January 1, 2019 through December 31, 2019. The employer contribution requirements during the period of January 1, 2019 through December 31, 2019 are summarized in the table below:

	January 1, 2018 Through December 31, 2019
Employer contribution rate	10.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the LGDTF	8.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%
Total employer contribution rate to the LGDTF	12.68%

Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Town of Dinosaur, Colorado is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Town of Dinosaur, Colorado were \$16,220 for the year ended December 31, 2019.

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

At December 31, 2019, the Town of Dinosaur, Colorado reported a liability of \$225,849 for its proportionate share of the net pension liability. The net pension liability for the LGDTF was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total pension liability to December 31, 2018. The Town of Dinosaur, Colorado proportion of the net pension liability was based on Town of Dinosaur, Colorado contributions to the LGDTF for the calendar year 2018 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2018, the Town of Dinosaur, Colorado proportion was 0.017964 percent, which was an increase of 0.001615 percent from its proportion measured as of December 31, 2017.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 10 - DEFINED BENEFIT PENSION PLAN – PERA, Continued

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

For the year ended December 31, 2019, the Town of Dinosaur, Colorado recognized pension income of \$25,922. At December 31, 2019, the Town of Dinosaur, Colorado reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	9,443	-
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	29,412	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	14,527	-
Contributions subsequent to the measurement date	16,227	N/A
Total	69,609	-

\$16,227 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year ended December 31:	
2020	28,655
2021	7,034
2022	1,639
2023	16,054
2024	-
Thereafter	-

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 10 - DEFINED BENEFIT PENSION PLAN – PERA, Continued

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

Actuarial assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 10.45 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; and DPS benefit structure (automatic)	2.00 percent compounded annually
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

The revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2017 to December 31, 2018:

Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; and DPS benefit structure (automatic)	0% through 2019 and 1.5% compounded annually, thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriated margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Health Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates of ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 10 - DEFINED BENEFIT PENSION PLAN, Continued

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

The actuarial assumptions used in the December 31, 2016, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012 through December 31, 2015, as well as the October 28, 2016, actuarial assumption workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentation to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumptions for the LGDTF, including long-term historical data, estimates inherent in current market data, and long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity - Large Cap	21.20%	4.30%
U.S. Equity - Small Cap	7.42%	4.80%
Non U.S. Equity - Developed	18.55%	5.20%
Non U.S. Equity - Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non US Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 10 - DEFINED BENEFIT PENSION PLAN – PERA, Continued

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

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employee contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriated. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Town of Dinosaur, Colorado proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	345,503	225,849	125,747

Pension plan fiduciary net position. Detailed information about the LGDTF's fiduciary net position is available in PERA's CAFR which can be obtained at www.copera.org/investments/pera-financial-reports.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 10 - DEFINED BENEFIT PENSION PLAN - PERA, Continued

Changes between the measurement date of the net pension liability and December 31, 2019.

During the 2019 legislative session, the Colorado General Assembly passed HB 19-1217: *PERA Public Employees' Retirement Association Local Government Division Member Contribution Rate*. The bill was signed into law by Governor Polis on May 20, 2019, and eliminated the 2 percent increase in the contribution rate for members in the Local Government Division mandated by SB 18-200.

NOTE 11 – DEFINED BENEFIT OTHER POSTEMPLOYMENT (OPEB) PLAN

Summary of Significant Accounting Policies

OPEB. Town of Dinosaur, Colorado participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan description. Eligible employees of the Town of Dinosaur, Colorado are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

General Information about the OPEB Plan, continued

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Town of Dinosaur, Colorado is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Town of Dinosaur, Colorado were \$1,305 for the year ended December 31, 2019.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2019, the Town of Dinosaur, Colorado reported a liability of \$18,937 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2018. The Town of Dinosaur, Colorado proportion of the net OPEB liability was based on Town of Dinosaur, Colorado contributions to the HCTF for the calendar year 2017 relative to the total contributions of participating employers to the HCTF.

At December 31, 2018, the Town of Dinosaur, Colorado proportion was 0.00139 percent, which was an increase of 0.00012 from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Town of Dinosaur, Colorado recognized OPEB expense of \$719. At December 31, 2019, the Town of Dinosaur, Colorado reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	69	29
Changes of assumptions or other inputs	133	-
Net difference between projected and actual earnings on OPEB plan investments	109	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,167	8
Contributions subsequent to the measurement date	1,305	N/A
Total	3,783	37

\$1,305 was reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (income) as follows:

Year ended December 31:	
2020	512
2021	512
2022	512
2023	587
2024	306
Thereafter	12

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued

Actuarial assumptions. The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.25 percent for 2018, gradually rising to 5.00 percent in 2025
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2017, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016 Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA’s actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2018 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$736	\$367
Kaiser Permanente Medicare Advantage HMO	602	236
Rocky Mountain Health Plans Medicare HMO	611	251
UnitedHealthcare Medicare HMO	686	213

The 2018 Medicare Part A premium is \$422 per month.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$289
Kaiser Permanente Medicare Advantage HMO	300
Rocky Mountain Health Plans Medicare HMO	270
UnitedHealthcare Medicare HMO	400

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2017, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued

Healthy, post-retirement mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2018 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the Town of Dinosaur, Colorado proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	18,414	18,937	19,539

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2018, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of Town of Dinosaur, Colorado proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	21,189	18,937	17,012

OPEB plan fiduciary net position. Detailed information about the HCTF’s fiduciary net position is available in PERA’s CAFR which can be obtained at www.copera.org/investments/pera-financial-reports.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 12 – DEFINED BENEFIT PENSION PLAN - FPPA

Summary of Significant Accounting Policies

Pensions. The Town contributes to the Statewide Defined Benefit Pension Plan (SWDB Plan), a cost-sharing multiple-employer defined benefit pension plan, which is administered by the Colorado Fire and Police Pension Association (FPPA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB Plan have been determined using the economic resources measurement focus and the accrual basis of accounting. Assets of the SWDB Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund.

General Information about the Pension Plan

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

Benefits Provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the SWDB Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

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

Contributions. The SWDB Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB Plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributing at the rate of 10 percent and 8 percent, respectively, of base salary for a total contribution rate of 18 percent in 2018. In 2014, the members elected to increase member contribution rate to SWDB plan beginning in 2015. Member contributions rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 12 – DEFINED BENEFIT PENSION PLAN – FPPA, Continued

General Information about the Pension Plan, continued

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 22 percent of base salary through 2018. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The contribution rate for members and employers of affiliated social security employers is 5 percent and 4 percent, respectively, of base salary for a total contribution rate of 8 percent in 2018. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022.

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

At December 31, 2019, the Town reported a liability of \$8,257 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. Standard update procedures were used to roll forward the total pension liability to December 31, 2019. The Town’s proportion of the net pension liability was based on the Town’s contributions to the SWDB Plan for the calendar year 2018 relative to the total contributions of participating employers to the SWDB Plan.

At December 31, 2018, the Town’s proportion was 0.006531 percent, which was an increase of 0.00649 percent from its proportion measurement as of December 31, 2017.

For the year ended December 31, 2019, the Town recognized pension income of \$4,797. At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	10,610	88
Changes of assumptions or other inputs	7,997	-
Net difference between projected and actual earnings on pension plan investments	6,496	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	(5,221)	-
Contribution subsequent to the measurement date	4,996	-
Total	24,878	88

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 12 – DEFINED BENEFIT PENSION PLAN – FPPA, Continued

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

\$4,996 is reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an decrease of the net pension liability in the year December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year ended December 31:	
2020	4,040
2021	2,684
2022	2,181
2023	4,070
2024	1,620
Thereafter	5,199

Actuarial Assumptions. The actuarial valuations for the SWDB Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2018. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2019	January 1, 2018
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.5%
Projected Salary Increases*	4.25% - 11.25%	4.01% - 14.0%
Cost of Living Adjustments (COLA)	0%	0%
*Includes inflation at	2.5%	2.5%

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

For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

At least every five years the FPPA’s Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumption. The recommendations were made by the FPPA’s actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019 and were used in the roll-forward calculation of total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuation prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018. The actuarial assumptions impacted actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 12 – DEFINED BENEFIT PENSION PLAN – FPPA, Continued

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major assets class included in the Fund’s target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0%	8.03%
Equity Long/Short	9.0%	6.45%
Private Markets	24.0%	10.00%
Fixed Income	15.0%	2.90%
Absolute Return	9.0%	5.08%
Managed Futures	4.0%	5.35%
Cash	2.0%	2.52%
Total	100.00%	

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 3.71 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15); and the resulting Single Discount Rate is 7.00 percent.

Sensitivity of the Town’s Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) calculation using the discount rate of 7.00 percent as well as the net position liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	32,020	8,257	(11,454)

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 12 – DEFINED BENEFIT PENSION PLAN – FPPA, Continued

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

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

NOTE 13- CONTINGENCIES

Constitutional 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, which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue. The amendment also requires that reserves be established for declared emergencies, with 3% of fiscal year spending required.

In 1996, the registered voters of the Town of Dinosaur voted to allow the Town to collect, retain and expend all revenues and other funds collected in 1995 and each subsequent year thereafter, for capital projects and other municipal services without limiting in any year the amount of the other revenues that may be collected and expended by the Town of Dinosaur in excess of the limits of Article X, Section 20 of the Colorado Constitution.

The Town has no authorized but un-issued debt subject to the amendment's limitations. Based on fiscal year spending for 2019, \$12,991 of the year-end fund balance in the General Fund has been reserved for emergencies.

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

NOTE 14 - RISK MANAGEMENT

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

TOWN OF DINOSAUR, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 15 – COMMITTED FUND BALANCE

Beginning with the fiscal year 2010, the Town implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a governments' fund balances more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a 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 provision 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.

The board establishes (and modifies or rescinds) fund balance commitments as action items in board meetings. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund. Assigned fund balance is established by the board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

NOTE 16 – REPORTING FOR PENSIONS

Beginning in 2015, financial reporting information pertaining to the Town's participation in Fire and Police Pension Association of Colorado (FPPA) and Public Employees' Retirement Association of Colorado (PERA) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition of Contributions Made Subsequent to the Measurement Date*.

NOTE 17 – SUBSEQUENT EVENTS

The Town has evaluated subsequent events through July 27, 2020, the date at which the financial statements were available to be issued, and determined that an event has occurred that require disclosure. The Town is anticipating to obtain a state revolving fund loan for sewer system upgrades.

REQUIRE SUPPLEMENTARY INFORMATION

DRAFT

TOWN OF DINOSAUR, COLORADO

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

For the Year Ended December 31, 2019

	Budget	
	Original	Final
REVENUES		
Intergovernmental	\$ 17,300	\$ 17,300
Licenses and permits	11,926	11,926
Taxes	392,389	392,389
Grants	217,000	217,000
Interest earned	3,520	3,520
Miscellaneous	4,730	4,730
TOTAL REVENUES	646,865	646,865
EXPENDITURES		
General government	133,870	133,870
Public safety	263,697	263,697
Public works	51,518	51,518
Parks and recreation	49,168	49,168
Capital outlay	257,000	257,000
TOTAL EXPENDITURES	755,253	755,253
REVENUES OVER (UNDER) EXPENDITURES	(108,388)	(108,388)
FUND BALANCE, BEGINNING OF YEAR	756,212	756,212
FUND BALANCE, END OF YEAR	\$ 647,824	\$ 647,824

Actual Amounts	Variance
\$ 97,902	\$ 80,602
10,833	(1,093)
974,372	581,983
-	(217,000)
3,843	323
3,082	(1,648)
1,090,032	443,167
93,721	40,149
150,828	112,869
58,171	(6,653)
25,163	24,005
105,143	151,857
433,026	322,227
657,006	765,394
1,021,597	1,021,597
\$ 1,678,603	\$ 1,786,991

See the accompanying independent auditor's report

TOWN OF DINOSAUR, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PERA PENSION PLAN
Last 10 Fiscal Years

Year Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total Pension Liability
12/31/2014	0.014%	\$ 117,305	\$ 76,050	154%	81.8%
12/31/2015	0.014%	129,795	79,350	164%	80.7%
12/31/2016	0.016%	174,750	90,093	194%	76.9%
12/31/2017	0.015%	206,836	93,066	222%	73.6%
12/31/2018	0.016%	181,931	103,392	176%	79.4%
12/31/2019	0.018%	225,849	117,722	192%	76.0%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in the schedule is based as of the measurement date of PERA's net pension liability, which is as of the calendar year end that occurred before the Town's fiscal year end.

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TOWN OF DINOSAUR, COLORADO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
PERA PENSION PLAN
Last 10 Fiscal Years

<u>FY Ending December 31</u>	<u>Statutorily Required Contributions</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Actual Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2013	\$ 9,643	\$ 9,643	\$ -	\$ 76,050	12.68%
2014	10,062	10,062	-	79,350	12.68%
2015	11,424	11,424	-	90,093	12.68%
2016	11,747	11,747	-	92,641	12.68%
2017	13,078	13,078	-	103,392	12.65%
2018	14,927	14,927	-	117,722	12.68%
2019	16,220	16,220	-	127,922	12.68%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

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See the accompanying independent auditor's report

TOWN OF DINOSAUR, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
 FPPA PENSION PLAN
 Last 10 Fiscal Years

Year Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total Pension Liability
12/31/2018	0.007%	\$ (10,330)	\$ 42,000	-25%	106.3%
12/31/2019	0.007%	\$ 8,257	\$ 42,000	20%	95.2%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in the schedule is based as of the measurement date of FPPA's net pension liability, which is as of the calendar year end that occurred before the Town's fiscal year end.

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See the accompanying independent auditor's report

TOWN OF DINOSAUR, COLORADO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
 FPPA PENSION PLAN
 Last 10 Fiscal Years

<u>FY Ending December 31</u>	<u>Statutorily Required Contributions</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Actual Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2018	\$ 3,360	\$ 3,360	\$ -	\$ 42,000	8.00%
2019	\$ 4,996	\$ 4,996	\$ -	\$ 62,447	8.00%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

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See the accompanying independent auditor's report

TOWN OF DINOSAUR, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
PERA OPEB PLAN
Last 10 Fiscal Years

Year Ended*	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Actual Covered Payroll	Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total OPEB Liability
12/31/2017	0.001%	\$ 15,232	\$ 93,066	16%	16.7%
12/31/2018	0.001%	16,493	103,392	16%	17.5%
12/31/2019	0.001%	18,937	117,722	16%	17.0%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in the schedule is based as of the measurement date of PERA's net OPEB liability, which is as of the calendar year end that occurred before the Town's fiscal year end.

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See the accompanying independent auditor's report

TOWN OF DINOSAUR, COLORADO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
PERA OPEB PLAN
Last 10 Fiscal Years

FY Ending December 31	Statutorily Required Contributions	Actual Employer Contribution	Contribution Deficiency (Excess)	Actual Covered Member Payroll	Contributions as a % of Covered Payroll
2017	\$ 1,051	\$ 1,051	\$ -	\$ 103,392	1.02%
2018	1,201	1,201	-	117,722	1.02%
2019	1,305	1,305	-	127,922	1.02%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

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See the accompanying independent auditor's report

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SUPPLEMENTARY INFORMATION

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TOWN OF DINOSAUR, COLORADO

BUDGETARY COMPARISON SCHEDULE
 CONSERVATION FUND
 For the Year Ended December 31, 2019

	Budget	
	Original	Final
REVENUES		
Intergovernmental	\$ 3,000	\$ 3,000
Interest earned	2	2
TOTAL REVENUES	<u>3,002</u>	<u>3,002</u>
EXPENDITURES		
Parks and recreation	<u>5,000</u>	<u>5,000</u>
TOTAL EXPENDITURES	<u>5,000</u>	<u>5,000</u>
REVENUES OVER (UNDER) EXPENDITURES	(1,998)	(1,998)
FUND BALANCE, BEGINNING OF YEAR	<u>22,891</u>	<u>22,891</u>
FUND BALANCE, END OF YEAR	<u>\$ 20,893</u>	<u>\$ 20,893</u>

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Actual Amounts	Variance
\$ 3,678	\$ 678
<u>3</u>	<u>1</u>
<u>3,681</u>	<u>679</u>
<u>1,997</u>	<u>3,003</u>
<u>1,997</u>	<u>3,003</u>
1,684	3,682
<u>23,673</u>	<u>-</u>
<u>\$ 25,357</u>	<u>\$ 3,682</u>

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TOWN OF DINOSAUR, COLORADO

BUDGETARY COMPARISON SCHEDULE
WATER FUND

For the Year Ended December 31, 2019

	Budget	
	Original	Final
REVENUES		
Customer accounts	\$ 70,000	\$ 70,000
Tap Fees	3,400	3,400
Grants	-	-
Interest	2,097	2,097
	75,497	75,497
TOTAL REVENUES		
EXPENSES		
Salaries	25,891	25,891
Supplies and other	86,800	86,800
Utilities	15,000	15,000
Capital outlay	-	-
Debt service		
Principle	5,838	5,838
Interest expense	1,986	1,986
	135,515	135,515
TOTAL EXPENSES		
NET CHANGE IN FUND BALANCE	(60,018)	(60,018)
FUND BALANCE, BEGINNING OF YEAR	259,055	259,055
FUND BALANCE, END OF YEAR	\$ 199,037	\$ 199,037
RECONCILIATION FROM BUDGET BASIS EXPENDITURES (NON-GAAP) TO GAAP		
Add:		
Principal		
Subtract:		
Depreciation		
FUND BALANCE, END OF YEAR GAAP BASIS		

Actual Amounts	Variance
\$ 68,511	\$ (1,489)
-	(3,400)
-	-
3,163	1,066
71,674	(3,823)
26,612	(721)
33,755	53,045
8,095	6,905
-	-
5,838	-
1,986	-
76,286	59,229
(4,612)	55,406
549,261	290,206
544,649	\$ 345,612
5,838	
(32,655)	
\$ 517,832	

TOWN OF DINOSAUR, COLORADO
BUDGETARY COMPARISON SCHEDULE
SEWAGE FUND
For the Year Ended December 31, 2019

	Budget	
	Original	Final
REVENUES		
Customer accounts	\$ 41,700	\$ 41,700
Tap fees	1,600	1,600
Interest	1,000	1,000
Grants	996,500	996,500
Debt procees	-	-
	1,040,800	1,040,800
TOTAL REVENUES	1,040,800	1,040,800
EXPENSES		
Salaries	16,584	16,584
Supplies and other	968,212	968,212
Capital outlay	-	-
Debt service		
Principal	18,303	18,303
Interest expense	-	-
	1,003,099	1,003,099
TOTAL EXPENSES	1,003,099	1,003,099
NET CHANGE IN NET POSITION	37,701	37,701
NET POSITION, BEGINNING OF YEAR	17,251	17,251
NET POSITION, END OF YEAR	\$ 54,952	\$ 54,952
RECONCILIATION FROM BUDGET BASIS EXPENDITURES (NON-GAAP) TO GAAP		
Add:		
Principal		
Capital outlay		
Subtract:		
Debt proceeds		
Depreciation		
NET POSITION, END OF YEAR GAAP BASIS		

Actual Amounts	Variance
\$ 40,429	(1,271)
-	(1,600)
3,161	2,161
117,489	(879,011)
77,461	77,461
<u>238,540</u>	<u>(802,260)</u>
16,261	323
8,653	959,559
246,183	(246,183)
5,000	13,303
-	-
<u>276,097</u>	<u>727,002</u>
(37,557)	(75,258)
<u>736,673</u>	<u>719,422</u>
699,116	<u>\$ 644,164</u>
5,000	
246,183	
(77,461)	
(20,299)	
<u>\$ 852,539</u>	

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Dinosaur
	YEAR ENDING : December 2019

This Information From The Records Of (example - City of _ or County of) Town of Dinosaur	Prepared By: Phone: Tamara Long *(970)374-2286
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	13,300
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	433
2. General fund appropriations		b. Snow and ice removal	861
3. Other local imposts (from page 2)	0	c. Other	6,564
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	7,858
5. Transfers from toll facilities		4. General administration & miscellaneous	1,728
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	22,886
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	0	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	22,886	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	22,886	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	22,886

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

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		22,886	22,886		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2019

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	0	h. Other	
c. Total (a. + b.)	0	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	21,383	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	1,503	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	1,503	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	22,886	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments:

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